

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 6 1201 ELM STREET, SUITE 500 DALLAS, TEXAS 75270

February 22, 2022

TRANSMITTED VIA E-MAIL

Ms. Chenine Wozniak Representative Whiting Oil and Gas 1700 Lincoln Street, Suite 4700 Denver, CO 80203 chenine.wozniak@whiting.com

Re:

Expedited Spill Settlement Agreement

Docket No. CWA-06-2022-4501

Oil Spill in Ouachita County, Arkansas, on or about July 1, 2021

Dear Ms. Wozniak:

The Environmental Protection Agency (EPA) has authority under Section 311 of the Clean Water Act to pursue civil penalties for oil spill violations. Based upon information available to the EPA, a specific oil spill by your company is identified in the enclosed Findings and Alleged Civil Violations Form (Form). The EPA encourages the expedited settlement of oil spill violations, such as the violations cited in the enclosed Expedited Spill Settlement Agreement (Settlement Agreement). The enclosed Complaint and Settlement Agreement has been issued in accordance with 40 CFR Part 22, "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits" (enclosed).

You may resolve the cited violations quickly by correcting the cited violations, mailing a check for the penalty as described below, inserting the estimated cost for the corrective action in the space provided on the Settlement Agreement, and signing and returning the original Settlement Agreement within 30 days of your receipt of this letter. As previously stated, as a condition of the settlement, you must correct the violations within 30 days of your receipt of this letter. The EPA, at its discretion, may grant one 30-day extension for cause upon request. A request for a 30-day extension should be sent to the Energy Sector Compliance Section Chief at the address given on page 2 of this letter.

The Settlement Agreement, when executed by both parties, is binding on both you and the EPA. Upon receipt of the signed document and a check for the amount of the penalty, the EPA will take no further action against you for the violations cited in the Settlement Agreement. The EPA will neither accept nor approve the Settlement Agreement if returned more than 30 days after the date of your receipt of this letter, unless an extension has been granted by the EPA. (Please be advised that the Settlement Agreement contains a discounted, non-negotiable penalty amount, which is lower than the amount, which would be derived from the EPA's National Civil Penalty Policy for discharge violations.)

If you do not pay the penalty and return the Settlement Agreement within 30 days of your receipt of this letter, unless an extension has been granted by the EPA, the Settlement Agreement will be automatically withdrawn, without prejudice to the EPA's ability to file an enforcement action for the cited violations.

Failure to sign and return the Settlement Agreement and pay the penalty within the approved time does not relieve you of the responsibility to comply fully with the regulations, including correcting the violations that have been specifically identified in the Form. If you decide not to sign and return the Settlement Agreement and pay the penalty, the EPA can pursue more formal enforcement measures to correct the violation(s) and seek penalties of up to \$20,719 per violation up to a maximum penalty of \$51,796.

You are required in the Settlement Agreement to certify that you have corrected the violations and paid the penalty. The payment for the penalty amount must be in the form of a certified check payable to the "Environmental Protection Agency", with the Docket Number of the Settlement Agreement and "Spill Fund – 311" noted on the check. The Docket Number is located at the top of the left column of the Settlement Agreement.

The original, signed Expedited Settlement Agreement must be sent via CERTIFIED MAIL or E-MAIL to:

Energy Sector Compliance Section
U. S. Environmental Protection Agency
Region 6 (6ECD-WE)
1201 Elm Street, Suite 500
Dallas, Texas 75270-2102
blaha.michael@epa.gov

The payment of the penalty amount must be sent via CERTIFIED MAIL to:

U.S. Environmental Protection Agency Fines & Penalties P.O. Box 979077 St. Louis, MO 63197-9000

A copy of the Settlement Agreement and of the penalty payment should be retained by you. The EPA will forward to you a copy of the fully executed Expedited Settlement Agreement.

By terms of the Settlement Agreement, and upon the EPA's receipt of the signed Settlement Agreement and a check for the amount of the penalty, you waive your opportunity for a hearing pursuant to Section 311 of the Clean Water Act. The EPA will treat any response to the proposed Settlement Agreement, other than acceptance of the settlement offer, as an indication that the recipient is not interested in pursuing an expedited settlement of this matter.

The EPA acknowledges that the COVID-19 pandemic may impact your business. If that is the case, please contact us regarding any specific issues you need to discuss. If you have any questions relating to this Expedited Settlement Agreement, please contact Michael Blaha at 214-665-8574.

Singerely

Chief

Water Enforcement Branch



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 6, 1201 ELM STREET, DALLAS, TEXAS 75276-2102 REPORT AGREEMENT AGREEMENT LEARING CLERK

EPA REGION VI

DOCKET NO. CWA-06-2022-4501

On July 1, 2021

At: Whiting Oil and Gas, Ouachita County, AR (Respondent) discharged 16.67 barrels of crude oil in violation of Section 311(b)(3) of the Clean Water Act (the Act), as noted on the attached FINDINGS and ALLEGED CIVIL VIOLATIONS FORM (Form), which is hereby incorporated by reference.

The parties are authorized to enter into this Expedited Settlement under the authority vested in the Administrator of EPA by Section 311(b) (6) (B) (i) of the Act, 33 U.S.C. § 1321(b) (6) (B) (i), as amended by the Oil Pollution Act of 1990, and by 40 CFR § 22.13(b). The parties enter into this Expedited Settlement in order to settle the civil violations described in the Form for a penalty of \$500.00.

This settlement is subject to the following terms and conditions:

EPA finds the Respondent's conduct is subject to the discharge prohibition of Section 311(b)(3) of the Act, as described in the statute and further described by 40 CFR § 110.3. The Respondent admits he/she is subject to Section 311(b)(3) and that EPA has jurisdiction over the Respondent and the Respondent's conduct as described in the Form. Respondent does not contest the Findings and waives any objections it may have to EPA's jurisdiction. The Respondent consents to the assessment of the penalty stated above. Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that it has investigated the cause of the spill, it has cleaned up the spill pursuant to the federal requirements, and it has taken corrective actions that will prevent future spills. The Respondent also verifies that it has sent a certified check for \$500.00, payable to "Environmental Protection Agency," to: "USEPA, Fines & Penalties, P.O. Box 979077, St. Louis, MO 63197-9000" and Respondent has noted on the penalty payment check "Spill Fund-311" and the docket number of this case, "CWA-06-2022-4501."

Upon signing and returning this Expedited Settlement to EPA, Respondent waives the opportunity for a hearing or appeal pursuant to Section 311 of the Act, and consents to EPA's approval of the Expedited Settlement without further notice.

If Respondent does not sign and return this Expedited Settlement as presented within 30 days of the date of its receipt, the proposed Expedited Settlement is withdrawn without prejudice to EPA's ability to file any other enforcement action for the violations identified in the Form.

After this Expedited Settlement becomes effective, EPA will take no further action against the Respondent for the violations of the Section 311(b)(3) of the Act described in

the Form. However, EPA does not waive any rights to take any enforcement action for any other past, present, or future violations by the Respondent of Section 311(b)(3) of the Act or of any other federal statute or regulation. By its first signature, EPA ratifies the Inspection Findings and Alleged Violations set forth in the Form.

This Expedited Settlement is binding on the parties signing below and is effective upon the Enforcement and Compliance Assurance Division Director's signature.

APPROVED BY EPA:

Bryant Smalley 2-22-2022

Chief Water Enforcement Branch

APPROVED BY RESPONDENT:

Name (print): Charles Ohlson

Title (print): VP Operations

Whoule Chlo Date: 04/20/2012

The estimated cost of the clean-up and corrective action is \$13,749.00

IT IS SO ORDERED:

Digitally signed by

CHERYL SEAGER

Date: 2022 04 21

Date: 2022.04.21 16:08:21 -05'00'

5'00' Date: April 21, 2022

Cheryl T. Seager, Director

Enforcement and

Compliance Assurance Division

FINDINGS AND ALLEGED CIVIL VIOLATIONS

- Whiting Oil and Gas (Respondent) is a Company, qualified to do business in the State of Arkansas with a place of business located at 1700 Lincoln Street, Suite 4700, Denver, CO 80203. The Respondent is a person within the meaning of Section 311(a)(7) of the Act, 33 U.S.C. § 1321(a)(7).
- 2. Respondent is the owner/operator of an onshore facility within the meaning of Section 311(a)(10) of the Act, 33 U.S.C. § 1321(a)(10), a facility, which is located in Ouachita County, AR (facility).
- 3. Section 311(b)(3) of the Act prohibits the discharge of oil into or upon the navigable waters of the United States or adjoining shorelines in such quantities that have been determined may be harmful to the public health or welfare or environment of the United States.
- 4. For purposes of Section 311(b)(3) and (b)(4) of the Act, 33 U.S.C. § 1321(b)(3) and (b)(4), discharges of oil into or upon the navigable waters of the United States in such quantities that have been determined may be harmful to the public health or welfare or environment of the United States are defined in 40 C.F.R. 110.3 to include discharges of oil that cause a film or a sheen upon or discoloration of the surface of the water or adjoining shorelines.
- 5. On July 1, 2021, Respondent discharged 16.67 barrels of oil as defined in Section 311(a)(1) of the Act, 33 U.S.C. § 1321(a)(1), and 40 C.F.R. 110.1, from its facility into or upon an unnamed creek and adjoining shorelines.
- 6. The unnamed creek enters Smackover Creek and is a navigable water of the United States as defined in Section 502(7) of the Act, 33 U.S.C. § 1362(7), and 40 C.F.R. 110.1.
- 7. Respondent's July 1, 2021, discharge of oil from its facility caused a sheen upon or discoloration of the surface of the unnamed creek and adjoining shorelines and therefore, was in a quantity that has been determined may be harmful under 40 C.F.R 110.3, which implements Sections 311(b)(3) and (b)(4) of the Act.
- 8. Respondent's July 1, 2021, discharge of oil from its facility into or upon the unnamed creek and adjoining shorelines in a quantity that has been determined may be harmful under 40 C.F.R. 110.3 violated Section 311(b)(3) of the Act. Pursuant to Section 311(b)(6)(B)(i) of the Act, and 40 CFR 19.4, the Respondent is liable for civil penalties of up to \$19,277 per violation, up to a maximum of \$48,192.

Docket Number: CWA-06-2022-4501

Docket No. CWA-06-2022-4501

CERTIFICATE OF SERVICE

I certify that the original and one copy of the foregoing "Consent Agreement and Final Order," issued pursuant to 40 C.F.R. 22.13(b), was filed on April 21, 2022, with the Regional Hearing Clerk, U.S. EPA Region 6, 1201 Elm Street, Suite 500, Dallas, TX 75270-2102, and on April 26, 2022, was sent to the following, in the manner specified below:

NAME:

Chenine Wozniak

ADDRESS: 1700 Lincoln Street, Suite 4700

Denver, CO 80203

Michael Blaha

Michael Blaha **OPA Enforcement Officer**