



EXPEDITED SPCC SETTLEMENT AGREEMENT
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7, 901 N. 5th ST., KANSAS CITY, KANSAS 66101

09 MAY 29 AM 11:34

DOCKET NO. CWA-07-2009-0035

ENVIRONMENTAL PROTECTION
AGENCY-REGION VII
REGIONAL HEARING CLERK

On July 29, 2007

At: 1001 Edison Place, Salina, KS

Owned or operated by Kansas Gas Service, ONEOK, (Respondent), discharged 2,204 gallons of oil in violation of regulations promulgated at 40 C.F.R. Part 112 under Section 311(b)(3) of the Clean Water Act as noted on the attached FINDINGS AND ALLEGED VIOLATIONS FORM, (Form), which is hereby incorporated by reference.

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.

This proceeding and the Expedited Settlement are 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 C.F.R. §§ 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 \$4,500.

This Expedited Settlement is binding on the parties signing below, and is effective upon the Regional Judicial Officer's signature.

This settlement is subject to the following terms and conditions:

APPROVED BY EPA:

Stanley Walker Date 5/7/09
Chief, Storage Tank and Oil Pollution Branch (STOP)
Air and Waste Management Division

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 the violations have been corrected and Respondent has sent a certified check in the amount of \$4,500, payable to the "Environmental Protection Agency," via certified mail to:

APPROVED BY RESPONDENT:

Name (print): Teryl C. Rose

Title (print): Regional Vice President

Signature: [Signature]

Date: 4-27-09

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

and Respondent has noted on the penalty payment check Docket No. CWA-07-2009-0035 and "OSLTF - 311." The original, signed Settlement Agreement and copy of the penalty payment check must be sent via certified mail to:

The estimated cost for correcting the violation(s) is:

\$ 45,216.26

Paula Higbee
U.S. Environmental Protection Agency
Region 7, AWMD/STOP
901 N. 5th Street
Kansas City, KS 66101

IT IS SO ORDERED:

Robert Patrick Date May 29, 2009
Robert L. Patrick
Regional Judicial Officer

This Expedited Settlement resolves Respondent's liability for Federal civil penalties for the violations of the oil spill regulations 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 Respondent of the SPCC regulations or of any other federal statute or regulations. By its first signature, EPA ratifies the Findings and Alleged Violations set forth in the Form.

FINDINGS AND ALLEGED CIVIL VIOLATIONS

1. ONEOK is a corporation organized under the laws of Oklahoma with a place of business located at 1001 Edison Place, Salina, Kansas. 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) of the Act, which is located at 1001 Edison Place, Salina, Kansas. ('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 violation of water quality standards –OR- cause a film or a sheen upon or discoloration of the surface of the water or adjoining shorelines – OR – a sludge or emulsion to be deposited beneath the surface of the water or upon the adjoining shorelines.
5. On July 29, 2007, respondent discharged 2,204 gallons 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 a tributary of the Smoky Hill River and/or adjoining shorelines.
6. The tributary to the Smoky Hill River 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 29, 2007, discharge of oil from its facility caused a sheen upon or discoloration of the surface of the tributary to the Smoky Hill River and/or the adjoining 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 29, 2007, discharge of oil from its facility into or upon the tributary to the Smoky Hill River and/or 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 C.F.R. 19.4, the respondent is liable from civil penalties of up to \$12,000 per violation, up to a maximum of \$31,500.

IN THE MATTER OF Kansas Gas Service, ONEOK, Respondent
Docket No. CWA-07-2009-0035

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Expedited SPCC Settlement Agreement was sent this day in the following manner to the addressees:

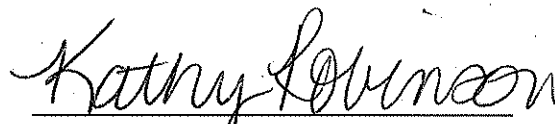
Copy hand delivered to
Attorney for Complainant:

Howard Bunch
Assistant Regional Counsel
Region VII
United States Environmental Protection Agency
901 N. 5th Street
Kansas City, Kansas 66101

Copy by Certified Mail Return Receipt to:

Teryl C. Rose
Regional Vice President
Kansas Gas Service
ONEOK
1001 Edison Place
Salina, Kansas 67401

Dated: 5/29/09


Kathy Robinson
Hearing Clerk, Region 7