UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
1595 WYNKOOP STREET
DENVER, CO 80202-1129
Phone 800-227-8917
http://www.epa.gov/region08

DOCKET NO.: CAA-08-2019-0007

IN THE MATTER OF:	)	
	)	
QEP ENERGY COMPANY	)	**FINAL ORDER**
	)	
	)	
	)	
	)	
RESPONDENT	)	

Pursuant to 40 C.F.R. § 22.13(b) and §§ 22.18(b)(2) and (3) of EPA's Consolidated Rules of Practice, the Consent Agreement resolving this matter is hereby approved and incorporated by reference into this Final Order.

The Respondent is hereby **ORDERED** to comply with all of the terms of the Consent Agreement, effective immediately upon filing this Consent Agreement and Final Order.

SO ORDERED THIS 10th **DAY OF** June **, 2019.**

Elyana Sutin
Regional Judicial Officer

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

2019 JUN -6 PM 4:01

FILED
EPA REGION VIII
HEARING CLERK

IN THE MATTER OF:	)	
	)	Docket No. **CAA-08-2019-0007**
QEP ENERGY COMPANY 1050 17th Street, Suite 800 Denver, Colorado 80265-1050 Respondent.	)	
	)	**CONSENT AGREEMENT**

I. PRELIMINARY STATEMENT

1. This is an administrative penalty assessment proceeding brought under section 113(d) of the Clean Air Act ("Act"), 42 U.S.C. § 7413(d), and sections 22.13 and 22.18 of the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits* ("Consolidated Rules"), as codified at 40 C.F.R. part 22.

2. Complainant is the U.S. Environmental Protection Agency, Region 8 ("EPA"). On the EPA's behalf, the Director of the Enforcement and Compliance Assurance Division is delegated the authority to settle civil administrative penalty proceedings under section 113(d) of the Act.

3. Respondent, QEP Energy Company ("QEP"), is a corporation doing business in the State of North Dakota and on the Fort Berthold Indian Reservation ("FBIR"). Respondent is a "person" as defined in section 302(e) of the Act, 42 U.S.C. § 7602(e).

4. Complainant and Respondent, (together, the "Parties") having agreed that settlement of this action is in the public interest, consent to the entry of this Consent Agreement ("Consent Agreement" or "Agreement") and the entry of a final order ("Final Order") without adjudication of any issues of law or fact herein, and Respondent agrees to comply with the terms of this Consent Agreement and the Final Order issued by the Regional Judicial Officer ("RJO") approving this Consent Agreement.

II. JURISDICTION

5. This Consent Agreement is entered into under section 113(d) of the Act, as amended, 42 U.S.C. § 7413(d), and the Consolidated Rules. The alleged violations in this Consent Agreement are pursuant to section 113(a)(3)(A) of the Act.

6. The EPA and the United States Department of Justice jointly determined that this matter, although it involves a penalty assessment above $362,141 and alleged violations that occurred more than one year before the initiation of this proceeding, is appropriate for an administrative penalty assessment and conditions of settlement. 42 U.S.C. § 7413(d); 40 C.F.R. § 19.4.

7. In satisfaction of the requirement in section 113(a)(4) of the Act, 42 U.S.C. § 7413(a)(4), the EPA provided Respondent an opportunity to confer regarding the violations alleged in this Agreement, and meetings regarding those issues subsequently took place.

8. The EPA Region 8 RJO is authorized to ratify this Consent Agreement which memorializes a settlement between Complainant and Respondent in a Final Order. 40 C.F.R. § 22.18(b); 40 C.F.R.§ 22.4.

9. This Consent Agreement, upon incorporation into a Final Order by the RJO and full satisfaction by the Parties, simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).

III. DEFINITIONS

10. "Active Use" means a Tank System is connected to one or more Active Wells. For a Tank System to be deemed "not in Active Use" under this Consent Agreement, it must not be reasonably capable of receiving production from any and all Active Wells at the Well Pad(s).

11. "Active Well" means a well in which the completion interval is capable of producing hydrocarbons through the wellhead and where the well is currently in operation or may be restored to operation by opening valves or by energizing equipment involved in operating the well.

12. "AVO" means audio, visual, olfactory.

13. "Business Day" means Monday through Friday, with the exception of federal holidays. In computing any period of time under this Agreement expressed in Business Days, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until 11:59 p.m. Mountain Time of the next Business Day.

14. "Calendar Day" means any of the seven days of the week. In computing any period of time under this Agreement expressed in Calendar Days (as opposed to Business Days), where the last Calendar Day would fall on a Saturday, Sunday, or federal holiday, the period shall not be extended to the next Business Day.

15. "Effective Date" shall have the definition provided in Section X (Effective Date).

16. "Heater-Treater" means a unit that heats the reservoir fluid to break oil/water emulsions and to reduce the oil viscosity. The water is then typically removed by using gravity to allow the water to separate from the oil.

17. "IR Camera Inspection" means an inspection of a Vapor Control System using an optical gas imaging infrared camera designed for and capable of detecting hydrocarbon and volatile organic compound ("VOC") emissions, conducted by trained personnel who maintain proficiency through regular use of the optical gas imaging infrared camera.

18. "Malfunction" means any sudden, infrequent, and not reasonably preventable failure of air pollution control equipment, process equipment, or a process to operate in a normal or usual manner. Failures that are caused in part by poor maintenance or careless operation are not malfunctions.

19. "MHA Nation" means the Three Affiliated Tribes of the Mandan, Hidatsa and Arikara Nation, a federally-recognized Indian tribe.

20. "Normal Operations" mean all periods of operation, excluding Malfunctions. For Storage Tanks at Well Pads, Normal Operations include, but are not limited to, liquid dumps from a Separator or Heater-Treater.

21. "Post-Repair IR Camera Inspection" means an IR Camera Inspection conducted following the observance of Reliable Information and the performance of corrective action to confirm the repair, replacement, etc. resulted in no further emissions.

22. "Produced Oil" means oil that is separated from extracted reservoir fluids during Production Operations.

23. "Produced Water" means water that is separated from extracted reservoir fluids during Production Operations.

24. "Production Operations" mean the extraction, separation using Separators and/or Heater-Treaters, and temporary storage of reservoir fluids from an oil and natural gas well at a Well Pad.

25. "Reliable Information" means any observance or detection of VOC emissions either: 1) from a Storage Tank opening (e.g., pressure relief device ("PRD")/thief hatch), except during gauging or maintenance; or 2) from a combustion device used in a Vapor Control System without flame presence indicating combustion. Reliable Information must be observed or detected: 1) using an optical gas imaging infrared camera, EPA Method 21 monitoring, or AVO inspection; and 2) by the EPA, Respondent's employees, or Respondent's contractors trained to conduct inspections for emissions. For purposes of this Agreement only, evidence of past surface staining alone shall not be considered Reliable Information. As to combustion devices used in a Vapor Control System, Reliable Information shall also include any observance or detection of Visible Smoke Emissions or no pilot light present by the EPA, Respondent's employees or Respondent's contractors. Observation from a Tank System while all wells associated with that Tank System are temporarily shut-in, and during which working and standing emissions may occur, will not be considered Reliable Emissions.

26. "Semi-Annual Report" means the report to be submitted every six months during the duration of this Agreement. The Semi-Annual Report will include the records required under subparagraphs 72.a.iv. The first report, which shall document activities over the first six months of the Respondent's Directed Inspection and Preventative Maintenance ("DI/PM") Program shall be submitted no later than 240 days after commencement of the DI/PM Program. Respondent shall submit the second report, documenting compliance over the next six months, no later than six months after its first report is due. Respondent shall thereafter continue to submit the Semi-Annual Reports on a rolling six-month basis until termination of the Agreement. The Semi-Annual Reports will be submitted to:

    Alexis North
    U.S. Environmental Protection Agency, (8ENF-AT)
    1595 Wynkoop Street
    Denver, Colorado 80202
    North.Alexis@epa.gov

27. "Separator" means a pressurized vessel designed to separate reservoir fluids into their constituent components of oil, natural gas, and water.

28. "Storage Tank" means a unit that is constructed primarily of non-earthen materials (such as steel, fiberglass, or plastic) which provides structural support and is designed to contain an accumulation of produced reservoir fluids (e.g., Produced Oil or Produced Water). A liquid knock-out vessel or similar device is not considered a Storage Tank.

29. "Tank System" means one or more Storage Tanks, with at least one Produced Oil Storage Tank, that share a common Vapor Control System. The "Tank Systems" that are subject to this Consent Agreement are listed in column one of Appendix A, which lists all Tank Systems on Well Pads owned or operated by Respondent located on the FBIR as of the Effective Date.

30. "Trigger Point" means the lowest set point of any device designed to relieve pressure from a Tank System minus two ounces. Set point refers to the pressure (in ounces) at which a device is designed to relieve pressure.

31. "Vapor Control System" or "VCS" means the system used to contain, convey, and control vapors from one or more Storage Tank(s) (including flashing, working, breathing, and standing losses), as well as any natural gas carry-through to Storage Tanks. A Vapor Control System includes a Tank System, piping to convey vapors from a Tank System to a combustion device and/or vapor recovery unit, fittings, connectors, liquid knockout vessels or vapor control piping, openings on Storage Tanks (such as thief hatches and any other PRDs) emission control devices.

32. "VCS Root Cause Analysis" means an assessment conducted through a process of investigation to determine the primary cause and contributing cause(s), if any, of VOC emissions from a Vapor Control System.

33. "Visible Smoke Emissions" mean pollutants generated by thermal oxidation in a flare or enclosed combustor and occurring immediately downstream of the flame, as determined by use of EPA Reference Method 22. Visible Smoke occurring within, but not downstream, of the flame, is not considered to constitute Visible Smoke Emissions. The observation period shall be 15 minutes or until smoke is observed for one minute, whichever occurs first.

34. "VOC" or "VOCs" means volatile organic compounds as defined in 40 C.F.R. § 60.2.

35. "Well Pad" means a property with one or more Storage Tank(s) capable of receiving Produced Oil from Production Operations. The Well Pads that are subject to this Agreement are identified in column two of Appendix A.

IV. GOVERNING LAW

36. As set forth in section 101(b)(1) of the Act, 42 U.S.C. § 7401(b)(1), the purpose of the Act is to protect and enhance the quality of the nation's air, so as to promote the public health and welfare and the productive capacity of its population.

37. Section 108 of the Act, 42 U.S.C. § 7408, directs the EPA to identify those air pollutants which "may reasonably be anticipated to endanger public health or welfare" and to issue air quality criteria for them based on "the latest scientific knowledge" about the effects of the pollutants on public health and the environment. The pollutants identified as such are called "criteria pollutants."

38. Section 109 of the Act, 42 U.S.C. § 7409, requires the EPA to promulgate regulations establishing national ambient air quality standards ("NAAQS") for criteria pollutants. The primary NAAQS must be set at the level "requisite to protect the public health" with an adequate margin of safety, and the secondary NAAQS are intended to protect "the public welfare." Public welfare effects include, but are not limited to, "effects on soils, water, crops, vegetation, . . . animals, wildlife, weather, visibility, and climate, damage to and deterioration of property, . . . "as well as effects on economic values . . ." 42 U.S.C. § 7602(h).

39. Ground-level ozone, commonly known as "smog," is one of six criteria pollutants for which the EPA has promulgated national standards, due to its adverse effects on human health and the environment.

40. Ozone is not emitted directly from sources of air pollution. Ozone is a photochemical oxidant, formed when certain chemicals in the ambient air react with oxygen in the presence of sunlight. These chemicals – VOC and nitrogen oxides ("NOx") – are called "ozone precursors." Sources that emit ozone precursors are regulated to reduce ground-level ozone. *See* 62 Fed. Reg. 38,856 (July 18, 1997), and 80 Fed. Reg. 65292, 65299 (October 26, 2015).

41. On March 22, 2013, the EPA finalized the Fort Berthold Federal Implementation Plan for Oil and Natural Gas Well Production Facilities ("FIP") to "establish legally and practicably enforceable requirements to control and reduce VOC emissions from well completion

operations, well recompletion operations, production operations, and storage operations at existing, new and modified oil and natural gas production facilities." 78 Fed. Reg. 17835, 17858 (Mar. 22, 2013).

42. The FIP regulations can be found at 40 C.F.R. §§ 49.4161-.4168. The FIP provides, in relevant part:

    a. Each owner or operator must meet the following requirements for enclosed combustors and utility flares:
        i. Ensure that each enclosed combustor is "[d]emonstrated to meet the VOC destruction efficiency requirements of §§49.4161 through 49.4168 using EPA approved performance test methods specified in 40 CFR part 60, subpart OOOO at §60.5413(b) by the due date of the first annual report as specified in §49.4168(b) . . ." 40 C.F.R. § 49.4165(c)(5)(ii).
        ii. Ensure that each enclosed combustor and utility flare is "[o]perated with a liquid knock-out system to collect any condensable vapors (to prevent liquids from going through the control device) . . ." 40 C.F.R. § 49.4165(c)(6)(ii).

    b. Each owner or operator must meet the following requirements for pit flares: "The owner or operator must develop written operating instructions, operating procedures and maintenance schedules to ensure good air pollution control practices for minimizing emissions from the pit flare based on the site-specific design." 40 C.F.R. § 49.4165(d)(1).

    c. Each owner or operator must maintain the following records: For each enclosed combustor, utility flare, and pit flare at an oil and natural gas production facility:
        i. "Records of all required monitoring of operations . . ." 40 C.F.R. § 49.4167(a)(5)(ii).
        ii. "Records of any instances in which the pilot flame is not present, electronically controlled automatic igniter is not functioning, or the monitoring equipment is not functioning in the enclosed combustor, the utility flare, or the pit flare, the date and times of the occurrence, the corrective actions taken, and any preventative measures adopted to prevent recurrence of the occurrence . . ." 40 C.F.R. § 49.4167(a)(5)(iv).
        iii. "Documentation of all produced oil storage tank and produced water storage tank inspections required in §49.4166(e) and (f)." 40 C.F.R. § 49.4167(a)(8).

    d. "Each owner or operator must monitor the operation of each enclosed combustor, utility flare, and pit flare to confirm proper operation . . ." 40 C.F.R. § 49.4166(g).

    e. "Each owner or operator must perform quarterly visual inspections of the peak pressure and vacuum values in each closed vent system and control system for the produced oil and produced water storage tanks to ensure that the pressure and vacuum relief set-points are not being exceeded in a way that has resulted, or may result, in venting and possible damage to equipment. The quarterly inspections must

be performed while the produced oil and produced water storage tanks are being filled." 40 C.F.R. § 49.4166(f).

f. "The owner or operator must ensure that each enclosed combustor and utility flare is . . . operated with no visible smoke emissions." 40 C.F.R. § 4165(c)(6)(vii).

g. "Each owner or operator must operate and maintain all liquid and gas collection, storage, processing and handling operations, regardless of size, so as to minimize leakage of natural gas emissions to the atmosphere." 40 C.F.R. § 49.4164(a).

h. Within 90 days of the first date of production, each owner or operator must "[r]oute all standing, working, breathing, and flashing losses from the produced oil storage tanks and any produced water storage tank interconnected with the produced oil storage tanks through a closed vent system to . . . (i) [a]n operating system designed to recover and inject the natural gas emissions into a natural gas gathering pipeline system for sale or other beneficial purpose; or (ii) an enclosed combustor or utility flare capable of reducing the mass content of VOC . . . by at least 98.0 percent . . . " 40 C.F.R. § 49.4164(d)(2).

i. "Each owner or operator must equip all openings on each produced oil storage tank and produced water storage tank interconnected with produced oil storage tanks with a cover to ensure that all natural gas emissions are efficiently being routed through a closed-vent system to a vapor recovery system, an enclosed combustor, a utility flare, or a pit flare." 40 C.F.R. § 49.4165(a).

j. "Each cover and all openings on the cover (e.g., access hatches, sampling ports, pressure relief valves (PRV), and gauge wells) shall form a continuous impermeable barrier over the entire surface area of the produced oil and produced water in the storage tank." 40 C.F.R. § 49.4165(a)(1).

k. "Each cover opening shall be secured in a closed, sealed position (e.g., covered by a gasketed lid or cap) whenever material is in the unit on which the cover is installed except during those times when it is necessary to use an opening [to add or remove material, inspect or sample material, or inspect or repair equipment]." 40 C.F.R. § 49.4165(a)(2).

l. "Each thief hatch cover shall be weighted and properly seated." 40 C.F.R. § 49.4165(a)(3).

m. "Each closed-vent system must route all produced natural gas and natural gas emissions from production and storage operations to the natural gas sales pipeline or the control devices required by [40 C.F.R. § 49.4165(a)]." 40 C.F.R. § 49.4165(b)(1).

n. "All vent lines, connections, fittings, valves, relief valves, or any other appurtenance employed to contain and collect natural gas, vapor, and fumes and transport them to

a natural gas sales pipeline and any VOC control equipment must be maintained and operated properly at all times." 40 C.F.R. § 49.4165(b)(2).

o. "Each closed-vent system must be designed to operate with no detectable natural gas emissions." 40 C.F.R. § 49.4165(b)(3).

p. "Each owner and operator must submit an annual report containing the information specified in paragraphs (b)(1) through (4) of [40 C.F.R. § 49.4168]." 40 C.F.R. § 49.4168(b).

V. FINDINGS OF FACT

43. Respondent is a corporation organized under the laws of Delaware.

44. At all times relevant to this Agreement, Respondent conducted oil and natural gas production operations in the "Bakken Pool," as defined by 40 C.F.R. § 49.4163(a)(1).

45. Respondent is or was, at all times relevant to this Agreement, the owner and operator, as defined by section 111(a)(5) of the Act, 42 U.S.C. § 7411(a)(5), and 40 C.F.R. § 49.4163(a)(13), of the Well Pads listed in Appendix A.

46. Each of the Well Pads in Appendix A is an "oil and natural gas production facility," within the meaning of the FIP, 40 C.F.R. § 49.4163(a)(11).

47. Each of the Well Pads listed in Appendix A produces oil and/or natural gas from the Bakken, Three Forks, or Sanish Formations in North Dakota and on the FBIR (i.e., the Bakken Pool).

48. Each of the Well Pads in Appendix A has one or more oil and natural gas wells that was completed or recompleted on or after August 12, 2007.

49. As oil and natural gas production facilities located on the FBIR, with one or more wells completed or recompleted after August 12, 2007, and producing from the Bakken Pool, the Well Pads listed in Appendix A are subject to the requirements of the FIP.

50. On August 15, 2013, Respondent submitted its annual report for the 2012 calendar year ("2012 Annual Report") to the EPA regarding its compliance with provisions of the FIP for the months of August - December in 2012 at its oil and natural gas wells, as required by 40 C.F.R. § 49.4168(b).

51. On May 13, 2014, the EPA issued an information request to Respondent pursuant to section 114(a)(1) of the Act, 42 U.S.C. § 7414(a)(1), to obtain further details about Respondent's 2012 Annual Report and compliance with requirements of the FIP.

52. On June 16, 2014, the EPA received Respondent's response to the May 13, 2014, information request.

53. On August 14, 2014, Respondent submitted its annual report for the 2013 calendar year ("2013 Annual Report") to the EPA regarding its compliance with provisions of the FIP for the calendar year of 2013 at its oil and natural gas wells and associated production facilities, as required by 40 C.F.R. § 49.4168(b).

54. On August 14, 2015, Respondent submitted its annual report for the 2014 calendar year ("2014 Annual Report") to the EPA regarding its compliance with provisions of the FIP for the calendar year of 2014 at its oil and natural gas wells and associated production facilities, as required by 40 C.F.R. § 49.4168(b).

55. On August 15, 2016, Respondent submitted its annual report for the 2015 calendar year ("2015 Annual Report") to the EPA regarding its compliance with provisions of the FIP for the calendar year of 2015 at its oil and natural gas wells and associated production facilities, as required by 40 C.F.R. § 49.4168(b).

56. On August 15, 2017, Respondent submitted its annual report for the 2016 calendar year ("2016 Annual Report") to the EPA regarding its compliance with provisions of the FIP for the calendar year of 2016 at its oil and natural gas wells and associated production facilities, as required by 40 C.F.R. § 49.4168(b).

57. Between March 30 - 31, 2015, the EPA conducted field inspections at 14 of Respondent's Well Pads, containing 63 individual wells, on the FBIR. Using an optical gas-imaging infra-red camera, the EPA observed Vapor Control Systems at many Well Pads were emitting vapors directly to the atmosphere.

58. On July 17, 2015, the EPA issued an information request to Respondent to obtain additional information regarding the EPA's observations at the time of the March 2015 field inspections.

59. On September 30, 2015, the EPA received part one of Respondent's response to the July 17, 2015, information request.

60. On October 19, 2015, the EPA received part two of Respondent's response to the July 17, 2015, information request.

61. Between May 2017 and February 2018, Respondent conducted a field survey, which included an evaluation of the condition of all PRDs/thief hatches, mountings, and gaskets at each Storage Tank at a Tank System, and the possibility of upgrading such equipment to reduce the likelihood of VOC emissions.

62. Between May 2017 and February 2018, Respondent replaced every thief hatch with a new thief hatch (either the Hawkeye Industries' Marsh Hawk TRV or the Valve Concepts Model 2199) and ensured that every thief hatch is either welded or mounted with a suitable gasket to the Storage Tank to prevent VOC emissions at the attachment point to the Storage Tank.

63. Between May 2017 and February 2018, Respondent conducted an IR Camera Inspection of all Tank System openings (e.g., PRDs/thief hatches) from all associated Production Operations, to determine if the Tank Systems were emitting VOCs.

64. Between May 2017 and February 2018, Respondent confirmed for each combustion device in a Vapor Control System that a pilot light is present and that there are no Visible Smoke Emissions, by use of EPA Reference Method 22.

65. If VOC emissions were observed during the IR Camera Inspection, Respondent repaired or replaced the component causing the emissions. Respondent resurveyed each Tank System, using an IR Camera Inspection, to verify that the repair or replacement was successful.

VI. ALLEGED VIOLATIONS OF LAW

66. Based on the EPA's review of Respondent's 2012, 2013, 2014, 2015, and 2016 Annual Reports, Respondent's response to the EPA's May 13, 2014, information request, and Respondent's response to the EPA's July 17, 2015, information request, the EPA alleges that Respondent committed violations of law of the following provisions of the FIP up to the Effective Date:

    a. Failure to demonstrate that each enclosed combustor meets the VOC destruction efficiency requirements using EPA approved performance test methods by the due date of the first annual report, as required by 40 C.F.R. § 49.4165(c)(5)(ii).

    b. Failure to ensure that each enclosed combustor and utility flare is operated with a liquid knockout system to collect any condensable vapors (to prevent liquids from going through the control device), as required by 40 C.F.R. § 49.4165(c)(6)(ii).

    c. Failure to develop written operating instructions, operating procedures and maintenance schedules for pit flares to ensure good air pollution control practices for minimizing emissions from the pit flare based on specific site design, as required by 40 C.F.R. §§ 49.4165(d)(1) and 49.4167(a)(5)(ii).

    d. Failure to document that the pit flares were operated with no visible smoke emissions, as required by 40 C.F.R. § 49.4166(g)(3).

    e. Failure to document the visual inspections of the pit flare for presence of a flame anytime produced natural gas or natural gas emissions are being routed to it, as required by 40 C.F.R. § 49.4167(a)(5)(iv).

    f. Failure to record all produced oil storage tank and produced water storage tank inspections, as required by 40 C.F.R. § 49.4167(a)(8).

    g. Failure to perform and document quarterly visual inspections of peak pressure and vacuum values in each closed vent system, as required by 40 C.F.R. §§ 49.4166(f) and 49.4167(a)(8).

h. Failure to perform and document physical inspections and monitoring to ensure proper operation of enclosed combustors, utility flares, and pit flares, as required by 40 C.F.R. §§ 49.4166(g) and 49.4167(a)(5)(ii).

i. Failure to ensure that each enclosed combustor and utility flare is operated with no visible smoke emissions. 40 C.F.R. § 49.4165(c)(6)(vii).

67. Based on the EPA's field inspection on March 30 - 31, 2015, and Respondent's response to the EPA's July 17, 2015, information request, the EPA alleges that Respondent committed violations of law of the following provisions of the FIP, up to the Effective Date:

a. Failure to operate and maintain all liquid and gas collection, storage, processing and handling operations, regardless of size, so as to minimize leakage of natural gas emissions to the atmosphere, as required by 40 C.F.R. § 49.4164(a).

b. Failure to route all standing, working, breathing, and flashing losses from the produced oil storage tanks and any produced water storage tank interconnected with the produced oil storage tanks through a closed vent system to (i) an operating system designed to recover and inject the natural gas emissions into a natural gas gathering pipeline system for sale or other beneficial purpose; or (ii) an enclosed combustor or utility flare capable of reducing the mass content of VOC by at least 98.0 percent, within 90 days of the first date of production, as required by 40 C.F.R. § 49.4164(d)(2).

c. Failure to equip all openings on each produced oil storage tank and produced water storage tank interconnected with produced oil storage tanks with a cover to ensure that all natural gas emissions are efficiently being routed through a closed-vent system to a vapor recovery system, an enclosed combustor, a utility flare, or a pit flare, as required by 40 C.F.R. § 49.4165(a).

d. Failure to ensure that each cover and all openings on the cover (e.g., access hatches, sampling ports, pressure relief valves (PRV), and gauge wells) form a continuous impermeable barrier over the entire surface area of the produced oil and produced water in the storage tank, as required by 40 C.F.R. § 49.4165(a)(1).

e. Failure to ensure that each cover opening shall be secured in a closed, sealed position (e.g., covered by a gasketed lid or cap) whenever material is in the unit on which the cover is installed except during those times when it is necessary to use an opening [to add or remove material, inspect or sample material, or inspect or repair equipment], as required by 40 C.F.R. § 49.4165(a)(2).

f. Failure to ensure that each thief hatch cover is weighted and properly seated, as required by 40 C.F.R. § 49.4165(a)(3).

g. Failure to ensure that each closed-vent system route all produced natural gas and natural gas emissions from production and storage operations to the natural gas sales

pipeline or the control devices required by [40 C.F.R. § 49.4165(a)], as required by 40 C.F.R. § 49.4165(b)(1).

h. Failure to ensure that all vent lines, connections, fittings, valves, relief valves, or any other appurtenance employed to contain and collect natural gas, vapor, and fumes and transport them to a natural gas sales pipeline and any VOC control equipment is maintained and operated properly at all times as required by 40 C.F.R. § 49.4165(b)(2).

VII. TERMS OF CONSENT AGREEMENT

68. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

a. admits the EPA has jurisdiction over the subject matter alleged in this Agreement;

b. neither admits nor denies the alleged violations of law stated above;

c. consents to the assessment of a civil penalty as stated below;

d. consents to the issuance of any specified compliance or corrective action order;

e. consents to any conditions specified in this Consent Agreement;

f. waives any right to contest the alleged violations of law; and

g. waives its rights to appeal the Final Order issued by the RJO approving this Consent Agreement.

69. For the purpose of this Consent Agreement, Respondent:

a. agrees that this Agreement states a claim upon which relief may be granted against Respondent;

b. acknowledges that this Agreement constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement actions;

c. waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this Agreement, including any right of judicial review under section 307(b)(1) of the Act, 42 U.S.C. § 7607(b)(1);

d. consents to personal jurisdiction in any action to enforce this Agreement, in the United States District Court for the District of North Dakota; and

e. waives any rights it may possess at law or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance

with the Agreement, and to seek an additional penalty for such noncompliance, and agrees that federal law shall govern in any such civil action.

70. Penalty Payment. Respondent agrees to:

    a. pay the civil penalty of $500,000 ("EPA Penalty") to the United States within 30 calendar days of the Effective Date of this Agreement; and

    b. pay the EPA Penalty using any method, or combination of methods, provided on the website http://www2.epa.gov/financial/additional-instructions-making-payments-epa, and identifying each and every payment with "Docket No. []." Within 24 hours of payment of the EPA Penalty, send proof of payment to Alex North at north.alexis@epa.gov ("proof of payment" means, as applicable, a copy of the check, confirmation of credit card or debit card payment, confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to the EPA requirements, in the amount due, and identified with "Docket No. []").]

71. If Respondent fails to timely pay any portion of the EPA Penalty assessed under this Agreement, the EPA may:

    a. request the Attorney General bring a civil action in an appropriate district court to recover: the amount assessed; interest at rates established pursuant to 26 U.S.C. § 6621(a)(2); the United States' enforcement expenses; and a 10 percent quarterly nonpayment penalty, 42 U.S.C. § 7413(d)(5);

    b. refer the debt to a credit reporting agency or a collection agency, 42 U.S.C. § 7413(d)(5), 40 C.F.R. §§ 13.13, 13.14, and 13.33;

    c. collect the debt by administrative offset (i.e., the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, 40 C.F.R. part 13, subparts C and H; and

    d. suspend or revoke Respondent's licenses or other privileges, or (ii) suspend or disqualify Respondent from doing business with the EPA or engaging in programs the EPA sponsors or funds, 40 C.F.R. § 13.17.

72. As a condition of settlement, Respondent agrees to the following:

    a. Directed Inspection and Preventative Maintenance Program: The DI/PM Program must be conducted pursuant to a written standard operating procedure ("SOP") prepared by Respondent, pursuant to paragraph 72.a.i, below, and submitted for initial review by the EPA. Respondent shall implement the DI/PM program at each Tank System, and associated Well Pad, by 120 days after the Effective Date and maintain the program for a period of three years from the Effective Date.

Respondent is not required to implement the requirements of this paragraph at a Well Pad where all Tank Systems are not in Active Use and remain not in Active Use, so long as Respondent, upon returning one or more Tank System(s) to Active Use, performs the actions specified in subparagraph 72.a.ii at the Well Pad within seven days and performs the actions specified in subparagraph 72.a.iii at the Well Pad within 30 days. Subparagraph 72.a.ii.1 shall be implemented weekly; subparagraph 72.a.iii shall be implemented in accordance with the schedule set forth therein. The DI/PM Program shall be comprised of the following:

i. Include a SOP with the following, at a minimum: 1) a list of the parameters to be checked during AVO inspections, 2) identify and describe the procedures for documentation of compliance with DI/PM program requirements, 3) include an initial schedule for long-term maintenance, inspection, and replacement schedules for wear equipment; 4) describe the procedures for implementing periodic IR camera inspections, including schedules. The DI/PM Program SOP may be updated as needed without additional review by the EPA.

ii. Address system-wide inspection, response, and preventative maintenance procedures for the Vapor Control Systems, including:

1. Audible, Visual or Olfactory Inspection: AVO walk-around inspection of all Tank Systems to check for VOC emissions (including while Storage Tank(s) are receiving Produced Oil from Production Operations), including checking for hissing, new stains, evidence of a spill, or other indicators of operational abnormalities. The AVO walk-around inspection shall also check the following parameters, where relevant, on the following equipment on a weekly basis:

a. Separators and Heater-Treaters – final stage of separation operating pressure and temperature, set point of any device restricting final stage Separator or Heater-Treater dump flow rate (e.g., device not stuck open), and valves in correct position.

b. Tank System – PRDs/thief hatches (including that thief hatches are closed and latched), tank valve/load line/drain valve leaks, and seals.

c. Vapor Control System – combustion device checks that burner is operational, no Visible Smoke Emissions, and presence of a pilot light, liquid knockout drained as necessary, inlet valves functioning properly, and auto-ignitor in good working condition.

iii. Periodic IR Camera Inspections: For a period of three years from the Effective Date, Respondent shall undertake an IR Camera Inspection program at all Tank Systems, all associated combustion devices and all other components at the associated Well Pad, beginning with and moving downstream from the first valve off of the wellhead (but excluding components located in a Heater-Treater shed), that have the potential to emit VOCs, in accordance with the following requirements:

1. IR Camera Inspections shall be performed on a quarterly basis. Respondent shall notify the MHA Nation by email on a weekly basis of its scheduled IR Camera Inspections to be done pursuant to this paragraph and allow representatives of the MHA Nation to observe any such inspection, subject to the MHA Nation's agreement to observe Respondent's safety practices and policies. Respondent may modify a weekly schedule upon email notice to the MHA Nation. Notice to the MHA Nation shall include the date, time, and NDIC number(s) of the Tank System(s) to be inspected. Notice shall be made to the MHA Energy Division Compliance Department by email to salbeston@mhanation.com and klyson@mhanation.com and the MHA Environmental Division of the Natural Resources Department by email to edmundbaker@mhanation.com and to the Tribal Science Advisor at lhlonefight@mhanation.com. The MHA Nation may change the individuals to receive notice on its behalf by providing written notice to Respondent of such change. Verification of the MHA Nation's attendance or absence at an inspection is not required for Respondent to perform the inspection.

2. These inspections must be conducted pursuant to a written SOP prepared by Respondent and submitted for review and comment by the EPA. During the IR Camera Inspection, Respondent shall also confirm, for each combustion device used in the associated Vapor Control System, that a pilot light is present and that there are no Visible Smoke Emissions. These periodic IR Camera Inspections shall begin within 120 days after the Effective Date.

3. In the event that VOC emissions from a Tank System opening (e.g., PRD/thief hatch), or from a combustion device used in the associated Vapor Control System without flame presence indicating combustion, are observed or detected during an inspection under this paragraph, or that a combustion device is observed to not have a pilot light present or to have Visible Smoke Emissions during an inspection under this paragraph, Respondent shall comply with the requirements of paragraph 72.b (Reliable Information, Investigation, and Corrective Action).

4. In the event that VOC emissions from any component required to be inspected but not identified in subparagraph 72.a.iii.3 are observed or detected during an inspection under this paragraph, Respondent shall:

   a. Complete all necessary corrective actions to address the VOC emissions as soon as practicable, but no later than 30 Calendar Days after detection of the fugitive emissions; or

   b. If Respondent is unable to complete all necessary corrective actions to address the VOC emissions within 30 Calendar Days because the corrective actions are technically infeasible or would require a temporary shut-in of Production Operations, the corrective action must be completed during the next temporary shut-in of the relevant Production Operations or within two years, whichever is earlier.

iv. Record Maintenance: Respondent shall maintain for a period of three years records of the following for each inspection and this information shall be summarized in a table and submitted with each Semi-Annual Report:

1. The date, time, Well Pad, Tank System, number of Storage Tanks inspected, and number of combustion devices inspected;

2. The date and time when: 1) VOC emissions are observed from a combustion device without flame presence indicating combustion; 2) VOC emissions are observed from a PRD/thief hatch or other opening on Storage Tanks, except for VOC emissions that are reasonably required for maintenance or gauging; 3) a combustion device does not have a pilot light present or has Visible Smoke Emissions; or 4) VOC emissions are observed from any other component required to be inspected under this paragraph;

3. The model and manufacturer, where available, of any combustion devices found with: 1) VOC emissions observed without flame presence indicating combustion; 2) no pilot light present; or 3) Visible Smoke Emissions; and

4. For any component, excluding those identified in subparagraph 72.a.iii.4, with VOC emissions observed or detected: (i) the date, Well Pad, and a description of the component and emissions; (ii) the date(s) corrective actions were made, including a description of the corrective actions; (iii) the location of where the corrective action was performed (e.g., NDIC #, Tank #, component repaired, corrected, etc.); (iv) the date and results of a Post-Repair IR Camera Inspection; and (iv) if corrective actions are delayed

pursuant to subparagraph 72.b.i.2 , a description of the reason for delay.

b. Reliable Information, Investigation and Corrective Action.

i. Within five Calendar Days after Respondent obtains any Reliable Information, Respondent shall either:

1. complete all necessary corrective actions to address the VOC emissions or issues identified and conduct a Post-Repair IR Camera Inspection; unless there is a regularly scheduled IR Camera Inspection, which occurs within 15 days of the corrective action, then that IR Camera Inspection may serve as the Post-Repair IR Camera Inspection; or

2. temporarily shut-in Production Operations associated with the Tank System. The five-day period in the preceding sentence to complete all necessary corrective actions or temporarily shut-in shall be extended an additional 10 Calendar Days due to any of the following:

a. parts are unavailable due to back orders, shipment delay, etc.;

b. major safety concerns (specific reason must be documented);

c. unavailable outside resources after contacting a reasonable number of vendors/contractors (specific reason and contacts must be documented);

d. severe weather;

e. the repair has been determined to be technically infeasible without a well shutdown or shut-in.

ii. For each Tank System with associated Production Operations temporarily shut-in pursuant to the requirements of this paragraph, Respondent shall document in a spreadsheet the following:

1. The date Reliable Information was obtained resulting in a temporary shut-in;

2. The Tank System identification;

3. The date that such Production Operations were temporarily shut-in;

4. The date(s) repair(s) were made, including a description of the repair(s);

5. The date of the Post-Repair IR Camera Inspection; and a summary of the results of that inspection; and

6. The date that Production Operations were resumed.

iii. For each instance where Respondent obtains Reliable Information, and within the deadline provided in subparagraph 72.b.i.1 above, completes all necessary corrective actions, Respondent shall document the following:

1. The date Reliable Information was obtained;

2. The identification of the Tank System, location of observed emission (e.g., component type);

3. The date corrective actions were made; including a description of the corrective actions; and

4. The date and results of the Post-Repair IR Camera Inspection after Reliable Information is detected, and the corrective actions performed.

iv. Respondent shall attach copies of the spreadsheets required by this paragraph to the next Semi-Annual Report that follows at least 30 days after corrective actions or any required IR Camera Inspection is completed.

c. Electronic Tank Pressure Monitors. By180 days of the Effective Date, and for a period of three years from the Effective Date (subject to subparagraph 72.c.v), at all Tank Systems, Respondent shall install, calibrate (in accordance with manufacturer recommendations, if available), operate, and maintain one electronic pressure monitor per battery of Storage Tanks with head spaces manifolded together. Each electronic pressure monitor shall continuously measure and record pressure data (e.g., one measurement every 1 minute), which shall be transmitted and stored in a company database in a format that is capable of being downloaded for review. Each electronic pressure monitor shall be connected to the onsite operations interface panel and a remote notification will be triggered when a measurement has exceeded the Trigger Point.

i. For the first six months after the deadline for installation of electronic pressure monitors, Respondent shall have a performance optimization period to evaluate calibration and optimize electronic pressure monitor performance and reliability. This period will allow Respondent, and its contractors or electronic pressure monitor vendors, an opportunity to ensure that the electronic pressure monitors, to the greatest extent practicable, are producing quality data that may be used to identify the potential for over-pressurization of Tank Systems (e.g., optimization of electronic pressure monitor location,

determination of electronic pressure measurements and frequency indicative of potential for over-pressurization).

ii. Following the performance optimization period, if an electronic pressure monitor measurement exceeds the Trigger Point for a Tank System (thereby triggering the interface panel alarm at the Well Pad), Respondent shall conduct a site investigation prior to resetting the interface panel alarm. The investigation shall include a site visit to test the electronic pressure monitor and the operating parameters of the associated Tank System. During the site visit, Respondent shall either conduct an IR Camera Inspection or an AVO inspection of the Tank System. The investigation shall be completed no later than five Calendar Days following the date of the electronic pressure monitor measurement that exceeded the Trigger Point unless the fifth day would fall on a non-Business Day, in which case the investigation shall be completed by the end of the next Business Day. In the event a Tank System requires three site investigations in a consecutive 30 Calendar Day period, Respondent shall conduct a VCS Root Cause Analysis.

iii. Respondent shall maintain records of the following and this information shall be provided in a spreadsheet (unless the Parties agree in writing to a different format) with each Semi-Annual Report: (i) the date, time, location, and numerical value of all electronic pressure readings in excess of the Trigger Point; and (ii) the date and results of all corresponding site investigations and all corresponding VCS Root Cause Analyses.

iv. At any time, Respondent may submit to the EPA a request for alternative criteria (e.g., pressure measurements and number of measurements in a given time period) triggering a site investigation and/or VCS Root Cause Analysis. The EPA may grant or deny Respondent's request in whole or in part.

v. After at least 18 months of operation of the digital pressure monitors, including the six-month performance optimization period, if Respondent demonstrates and the EPA determines that it is infeasible or overly burdensome in relation to the benefits to continue operating one or more of the electronic pressure monitors, Respondent may discontinue operation of and remove the electronic pressure monitor(s). As part of Respondent's demonstration, Respondent shall submit to the EPA an analysis of operation and maintenance of such monitors to date, including a summary of all measurements triggering site investigations or VCS Root Cause Analyses, the results of those site investigations or analyses, and corrective actions taken. Operation of an electronic pressure monitor shall be considered infeasible if (i) the monitor cannot be kept in proper condition (including calibration) for sufficient periods of time to produce reliable, adequate, or useful measurements; or (ii) recurring, chronic, or unusual equipment adjustment, servicing, or replacement needs cannot be resolved through reasonable expenditures.

73. The provisions of this Agreement shall apply to and be binding upon Respondent, its successors and assigns. No closing or transfer of ownership or operation of any portion of or interest in the facilities identified in Appendix A shall relieve Respondent of its obligation to comply with the terms of this Agreement unless:

    a. Respondent provides written notice and a copy of this Agreement to the proposed transferee at least 30 days prior to closing and simultaneously provides written notice of the transfer, together with a copy of the Purchase and Sale Agreement ("PSA") to the EPA;

    b. The transferee agrees in the PSA to undertake the obligations and liabilities of this Agreement and to be bound by the terms thereof;

    c. The transferee agrees in writing to be substituted for Respondent for all provisions in this Agreement and to be bound by the terms thereof, including implementation of the conditions of settlement set forth in paragraph 72 of the Agreement (unless already satisfactorily implemented by Respondent), but excepting paragraph 70 (Civil Penalty);

    d. Respondent submits information to demonstrate the transferee has both the financial and technical capability to perform the obligations in paragraph 72 of this Agreement; and

    e. The EPA approves Respondent's request to be relieved of its obligations under this Agreement, which approval shall not be unreasonably withheld.

74. The Parties agree to take appropriate steps to file such notices as are required to substitute the transferee for the Respondent in this Agreement, and to relieve Respondent of its obligation to comply with this Agreement, as provided in paragraph 73 above.

75. Upon receipt of a request by Respondent to transfer the obligations of this Agreement, as provided in paragraph 73 above, the EPA shall have 30 calendar days to object to the request. If the EPA denies the request to transfer the obligations of this Agreement the Parties will follow the Dispute Resolution process set forth in Section VIII of this Agreement. The EPA shall bear the burden of showing that any objection to relieving Respondent of its obligations of this Agreement was not unreasonable.

76. This Agreement shall not be construed to prohibit a contractual allocation – as between QEP and any purchaser or transferee of the facilities identified in Appendix A– of the obligations of compliance with this Agreement, provided, however, that such contractual allocation shall not relieve Respondent of its obligations under the Agreement unless and until the provisions of paragraphs 70 and 72 have been met, subject to the right of transfer as provided in paragraph 73.

77. By signing this Agreement, Respondent acknowledges that this Agreement will be available to the public and agrees that this Agreement does not contain any confidential business information or personally identifiable information.

78. By signing this Agreement, the undersigned representative of Complainant and the undersigned representative of Respondent each certify that he or she is fully authorized to execute and enter into the terms and conditions of this Agreement and has the legal capacity to bind the Party he or she represents to this Agreement.

79. By signing this Agreement, both Parties agree that each Party's obligations under this Agreement constitute sufficient consideration for the other Party's obligations.

80. By signing this Agreement, Respondent certifies that the information it has supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

81. Except as qualified by paragraph 71, each Party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.

VIII. DISPUTE RESOLUTION

82. Unless otherwise expressly provided for in this Agreement, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Agreement. Respondent's failure to seek resolution of a dispute under this Section shall preclude Respondent from raising any such issue as a defense to an action by EPA to enforce any obligation of Respondent arising under this Agreement.

83. Informal Dispute Resolution. Any dispute subject to Dispute Resolution under this Agreement shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when Respondent sends EPA a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed 60 days from the date the dispute arises, unless that period is extended by written agreement. If the EPA and Respondent cannot resolve a dispute by informal negotiations, then the position advanced by EPA shall be considered binding unless, within 45 days after the conclusion of the informal negotiation period, including any agreed extension of the period for negotiation under this paragraph, Respondent invokes formal dispute resolution procedures as set forth below.

84. Formal Dispute Resolution. Respondent shall invoke formal dispute resolution procedures, within the time period provided in the preceding paragraph, by serving on EPA a written Statement of Position regarding the matter in dispute. The Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting Respondent's position and any supporting documentation relied upon by Respondent.

85. EPA shall serve its Statement of Position within 45 days of receipt of Respondent's Statement of Position. EPA's Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting that position and any supporting

documentation relied upon by EPA. EPA's Statement of Position shall be binding on Respondent, unless Respondent requests alternative dispute resolution in accordance with the following paragraph.

86. Respondent may request that EPA coordinate to designate a neutral party for dispute resolution. If the Parties cannot agree on a neutral party, Respondent may request the Regional Administrator or the RJO appoint a neutral party to proceed with dispute resolution.

87. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of Respondent under this Agreement, unless and until final resolution of the dispute so provides.

IX. EFFECT OF CONSENT AGREEMENT AND FINAL ORDER

88. In accordance with 40 C.F.R. § 22.18(c), this Agreement resolves only Respondent's liability for federal civil penalties for the violations and facts specifically alleged above.

89. Penalties paid pursuant to this Consent Agreement are not deductible for federal tax purposes. 28 U.S.C. § 162(f).

90. This Consent Agreement constitutes the entire agreement and understanding of the Parties and supersedes any prior agreements or understandings, whether written or oral, among the Parties with respect to the subject matter hereof.

91. Any violation of a Final Order issued by the RJO in this matter may result in a civil judicial action for an injunction or civil penalties, or both, as provided in section 113(b)(2) of the Act, 42 U.S.C. § 7413(b)(2), as well as criminal sanctions as provided in section 113(c) of the Act, 42 U.S.C. § 7413(c). The EPA may use any information submitted under this Order in an administrative, civil judicial, or criminal action.

92. Nothing in this Consent Agreement relieves Respondent of the duty to comply with all applicable provisions of the Act or other federal, state or local laws or statutes, or restricts the EPA's authority to seek compliance with any applicable laws or regulations, nor will it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.

93. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

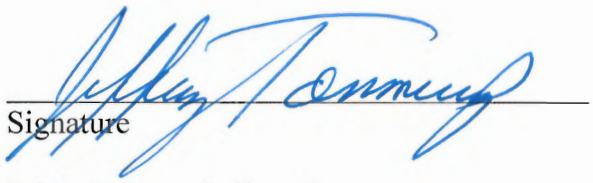
94. The EPA reserves the right to revoke this Consent Agreement and accompanying settlement penalty if and to the extent that the EPA finds, after signing this Consent Agreement, any information provided by Respondent was or is materially false or inaccurate, and the EPA reserves the right to pursue, assess, and enforce legal and equitable remedies for any violation described herein. The EPA will give Respondent written notice of such termination, which will be effective upon mailing.

X. EFFECTIVE DATE

95. Respondent and Complainant agree to issuance of a final order approving this Agreement. Upon filing, the RJO will transmit a copy of the filed Agreement to the Respondent. This Agreement and subsequently issued Final Order shall become effective after execution of the Final Order by the RJO, on the date of filing with the Hearing Clerk.

The foregoing Consent Agreement In the Matter of QEP Energy Company is Hereby Stipulated, Agreed, and Approved.

QEP ENERGY COMPANY



Signature

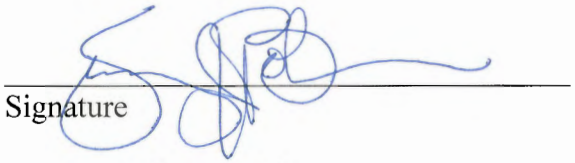
June 5, 2019

Date

Printed Name: Jeffery Tommerup
Title: Senior Vice President, Northern Region & HSE
Address: 1050 17th St., Suite 800, Denver, Colorado 80265
Respondent's Federal Tax Identification Number: 75-1295277

RESPONDENT

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 8,



Signature

6/5/2019

Date

Suzanne J. Bohan, Director
Enforcement and Compliance Assurance Division
United States Environmental Protection Agency
1595 Wynkoop Street, 8ENF
Denver, Colorado 80202-1129

COMPLAINANT

APPENDIX A

Tank Systems*	Pad Name	Well Name	Latitude	Longitude
1	10-6D	MHA 1-06-05H-149-92 (BUFFALO)	47.749377	-102.498502
		MHA 1-06-32H-150-92 (BUFFALO)	47.750189	-102.498313
		MHA 2-06-05H-149-92 (BUFFALO)	47.749229	-102.472386
		MHA 2-06-31H-150-92 (BUFFALO)	47.749377	-102.498502
		MHA 2-06-32H-150-92 (BUFFALO)	47.75011	-102.498118
		MHA 3-06-31H-150-92 (BUFFALO)	47.749377	-102.498502
		MHA 3-06-32H-150-92 (BUFFALO)	47.75015	-102.498216
		MHA 4-06-31H-150-92 (BUFFALO)	47.750229	-102.498411
		MHA 4-06-32H-150-92 (BUFFALO)	47.750071	-102.49802
		MHA 5-06-05H-149-92 (BUFFALO)	47.749303	-102.498531
2	11-18C	MHA 2-13-14H-150-91	47.810589	-102.249744
		MHA 5-13-14H-150-91	47.810467	-102.249883
3	11-31G	MHA 1-06-07H-147-92	47.5951447	-102.4561708
		MHA 3-06-07H-147-92	47.595188	-102.456265
		MHA 5-06-07H-147-92	47.5950588	-102.4559822
		MHA 6-06-07H-147-92	47.5948643	-102.4552656
		MHA 7-06-07H-147-92	47.5951018	-102.4560765
		MHA 8-06-07H-147-92	47.5948007	-102.4553287
4	12-33C (5-33C)	MHA 5-32-3lH-150-90	47.766548	-102.213489
		MHA 6-32-31H-150-90	47.766702	-102.21349
		MHA 2-32-31H-150-90	47.766625	-102.21349
5	12-4E	MHA 2-04-03H-149-91	47.750837	-102.341669
		MHA 4-04-03H-149-91	47.750914	-102.341669
6	12-5H	MHA 2-05-04H-l48-91	47.666891	-102.31121
		MHA 4-05-04H-148-91	47.666891	-102.311096
7	1-32C	MHA 1-29-30H-150-90	47.774689	-102.216086
8	13-3D	MHA 2-03-02H-149-92	47.747379	-102.44719 1
		MHA 3-03-35H-150-92	47.748006	-102.447007
		MHA 3-03-34H-150-92	47.748072	-102.447204
		MHA 3-03-02H-149-92	47.747445	-102.447143
		MHA 4-03-35H-150-92	47.747578	-102.447045
		MHA 4-03-02H-149-92	47.747313	-102.44724
		MHA 2-03-35H-150-92	47.747379	-102.447191
		MHA 1-03-02H-149-92	47.747511	-102.447094
		MHA l-03-34H-150-92	47.748104	-102.447302
		MHA 1-03-35H-150-92	47.748039	-102.447105
9	14-18C	MHA 1-13-14H-150-91	47.804908	-102.252447
		MHA 1-19H-150-90	47.805456	-102.252447

APPENDIX A

Tank Systems*	Pad Name	Well Name	Latitude	Longitude
10	14-1X	Tipi V 3-13-12T2H	47.83434	-102.782339
		Tipi V 4-13-12BH	47.83434	-102.782238
		Tipi V 3-13-12BH	47.834341	-102.782034
		Tipi V 2-13-12TH	47.83434	-102.782136
		Tipi V 5-13-12BH	47.83434	-102.782136
		Tipi V 3-13-12TH	47.83434	-102.782543
11	14-22G	MHA 1-27-34H-148-92	47.6187744	-102.385274
		MHA 3-27-34H-148-92	47.618727	-102.385373
		MHA 5-27-34H-148-92	47.618778	-102.385078
		MHA 7-27-34H-148-92	47.618761	-102.385176
12	14-32B	MHA 2-32-29H-150-91	47.761707	-102.355763
		MHA 4-32-29H-150-91	47.761707	-102.355648
13	14-4C	Rupple 1-4H-150-90	47.833961	-102.204994
14	14-6D	MHA 1-06-31H-150-92	47.747528	-102.506056
15	15-4D	MHA 5-04-33H-150-92 BULLWINKLE	47.746312	-102.454266
		MHA 6-04-33H-150-92 BULLWINKLE INFILL	47.746383	-102.454092
		MHA 7-04-33H-150-92 BULLWINKLE	47.746348	-102.454179
		MHA 8-04-33H-150-92 BULLWINKLE INFILL	47.746419	-102.454005
16	15-6F	MHA 1-01-02H-149-91	47.747053	-102.242808
		MHA 2-07-18H-149-90	47.747053	-102.242636
17	1-5F	MHA 2-05-06H-149-90	47.757978	-102.215806
		MHA 5-05-06H-149-90	47.757863	-102.215804
18	16-21-152-92	FED 1-27H-152-92	47.965069	-102.451683
19	16-31B	MHA 1-31-25H-150-92	47.761418	-102.365874
		MHA 1-31-30H-150-91	47.762213	-102.365853
		MHA 1-31-36H-150-92	47.761418	-102.366329
		MHA 2-31-25H-150-92	47.762213	-102.366081
		MHA 3-31-25H-150-92	47.762213	-102.366194
		MHA 3-31-30H-150-91	47.762213	-102.365739
		MHA 3-31-36H-150-92	47.761418	-102.366216
		MHA 4-31-25H-150-92	47.762213	-102.365967
		MHA 5-31-25H-150-92	47.761418	-102.366102
		MHA 7-31-25H-150-92	47.761418	-102.365988
20	16-31G	MHA 2-06-07H-147-92	47.588967	-102.441221
		MHA 2-32-33H-148-92	47.589025	-102.441148
		MHA 4-06-07H-147-92	47.588909	-102.441296
		MHA 4-32-33H-148-92	47.589083	-102.441074
21	16-32B	MHA 1-04-03H-149-91	47.761661	-102.344011
		MHA 1-32-29H-150-91	47.761814	-102.344011
		MHA 3-04-03H-149-91	47.761736	-102.344011
		MHA 3-32-29H-150-91	47.761892	-102.344011
22	16-32C	MHA 1-32-31H-150-90	47.761619	-102.217067
		MHA 2-04-03H-149-90	47.761733	-102.217067
23	16-5F	MHA 1-05-06H-149-90	47.748473	-102.216368
		MHA 1-09-16H-149-90	47.748473	-102.216141
		MHA 6-05-06H-149-90	47.748473	-102.216254

APPENDIX A

Tank Systems*	Pad Name	Well Name	Latitude	Longitude
24	16-6E	MHA 1-06-01H-149-92	47.747358	-102.366131
		MHA 2-06-01H-149-92	47.747358	-102.366303
25	3-18C	MHA 1-18H-150-90	47.816306	-102.256306
26	4-34-152-92	FED 1-34-35H-152-92	47.945964	-102.449514
		FED 3-34-35H-152-92	47.945964	-102.449514
		FED 5-34-35H-152-92	47.945964	-102.449514
		FED 7-34-35H-152-92	47.945964	-102.449514
27	4-5E	MHA 6-06-01H-149-92	47.75921	-102.360995
		MHA 6-32-29H-150-91	47.75924	-102.360901
		MHA 8-06-01H-149-92	47.759183	-102.361088
		MHA 8-32-29H-150-91	47.759268	-102.360812
28	4-5J	MHA 1-05-08H-147-92	47.587386	-102.434769
		MHA 3-05-08H-147-92	47.587328	-102.434842
29	4-8F	MHA 1-08H-149-90	47.745633	-102.23265
30	5-10E	MHA 1-10-11H-149-91	47.742134	-102.319526
		MHA 1-10-15H-149-91	47.739077	-102.320518
		MHA 2-10-11H-149-91	47.742122	-102.319559
		MHA 3-10-11H-149-91	47.742134	-102.319526
		MHA 3-10-15H-149-91	47.73909	-102.320419
		MHA 4-10-11H-149-91	47.742122	-102.319559
31	6-32G	MHA 1-32-33H-148-92	47.599472	-102.432797
		MHA 3-32-33H-148-92	47.599531	-102.432872
32	6-9D	MHA 1-04-33H-150-92 ROCKY	47.741661	-102.460958
		MHA 2-04-33H-150-92 ROCKY	47.741707	-102.460766
		MHA 3-04-33H-150-92 ROCKY	47.741683	-102.460862
		MHA 4-04-33H-150-92 ROCKY	47.741728	-102.46067
33	7-6F	MHA 2-01-02H-149-91	47.755261	-102.245428
34	8-29C	MHA 2-29-30H-150-90	47.783322	-102.216425
		MHA 5-29-30H-150-90	47.783238	-102.217321
35	8-6E	MHA 3-06-01H-149-92	47.755433	-102.36659
		MHA 4-06-01H-149-92	47.755433	-102.366709
36	9-28G	MHA 8-28-29H-148-92	47.607933	-102.398672
		MHA 4-28-29H-148-92	47.60807	-102.398679
		MHA 6-28-29H-148-92	47.607865	-102.398668
		MHA 2-28-29H-148-92	47.608002	-102.398676
37	15-32B	MHA 5-32-29H-150-91	47.761989	-102.348999
		MHA 7-32-29H-150-91	47.761989	-102.348898

APPENDIX A

Tank Systems*	Pad Name	Well Name	Latitude	Longitude
38	15-13X	Tipi V 1-24-25TH	47.805121	102.77422
		Tipi V 2-24-25BH	47.805121	102.774322
		Tipi V 2-24-25TH	47.805121	102.774627
		Tipi V 3-24-25BH	47.805121	102.774525
		Tipi V 13-12-7-18LL	47.805122	102.772629
		Tipi V 24-25-19-30BH	47.80503	-102.774273
		Tipi V 1-13-12BH	47.805122	-102.772833
		Tipi V 1-13-12TH	47.805122	-102.772731
		Tipi V 4-13-12TH	47.805121	-102.774119
		Tipi V 3-24-25TH	47.802924	-102.78073
		Tipi V 4-24-25BH	47.802924	-102.78328

*Number is for identification of Tank System only and does not represent the number of Tank Systems at the Well Pad referenced in column two.

CERTIFICATE OF SERVICE

The undersigned certifies that the original of the attached **CONSENT AGREEMENT and FINAL ORDER** in the matter of **QEP ENERGY COMPANY; DOCKET NO.: CAA-08-2019-0007** was filed with the Regional Hearing Clerk on June 6, 2019.

Further, the undersigned certifies that a true and correct copy of the documents were emailed to, Abigail Dean, Enforcement Attorney. True and correct copies of the aforementioned documents were placed in the United States mail certified/return receipt on June 10, 2019, to:

Respondent

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And emailed to:

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June 10, 2019

Melissa Haniewicz
Regional Hearing Clerk