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UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
DALLAS, TEXAS

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REGIONAL HEARING CLERK
EPA REGION VI

IN THE MATTER OF:

Benchmark Energy Products, LLC

RESPONDENT

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Consent Agreement and Final Order
USEPA Docket No. RCRA-06-2023-0910

CONSENT AGREEMENT AND FINAL ORDER

I. PRELIMINARY STATEMENT

1. This Consent Agreement and Final Order ("CAFO") is entered into by the United States Environmental Protection Agency, Region 6 ("EPA" or "Complainant") and Respondent, Benchmark Energy Products, LLC ("Respondent") and concerns its facility located at 4113 W. Industrial Ave. Midland, TX 79703 ("the Midland Facility").
2. Notice of this action has been given to the State of Texas, under Section 3008(a)(2) of the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6928(a)(2)¹.
3. For the purpose of this CAFO, Respondent admits the jurisdictional allegations herein; however, Respondent neither admits nor denies the specific factual allegations, the findings of fact, and

¹ On December 26, 1984, the State of Texas received final authorization for its base Hazardous Waste Management Program (49 FR 48300). Subsequent revisions have been made to the Texas Hazardous Waste Program and authorized by the EPA. Except as otherwise provided, all citations found within this order are to the "EPA-Approved Texas Statutory and Regulatory Requirements Applicable to the Hazardous Waste Management Program" dated December 2015, incorporated by reference under 40 C.F.R. § 272.2201(c)(1)(i) effective on April 10, 2020. 85 Fed. Reg. 20190 (April 10, 2020); 40 C.F.R. 272.2201: Texas State-Administered Program: Final Authorization. References and citations to the "EPA-Approved Texas Statutory and Regulatory Requirements Applicable to the Hazardous Waste Management Program" may vary slightly from the State of Texas' published version. The corresponding C.F.R. citations are also provided.

conclusions of law contained in this CAFO. This CAFO states a claim upon which relief may be granted.

4. Respondent waives any right to contest the allegations and its right to appeal the proposed final order contained in this CAFO and waives all defenses which have been raised or could have been raised to the claims in the CAFO.
5. Pursuant to 40 C.F.R. § 22.18(c) the CAFO resolves the violations and the underlying facts alleged herein.
6. Respondent consents to the issuance of this CAFO as the most appropriate means of settling EPA's allegations without any adjudication of issues of law or fact, consents to the assessment and payment of the civil penalty in the amount and by the method set out in this CAFO, and consents to the compliance order in this CAFO.

II. JURISDICTION

7. This CAFO is issued by EPA pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), as amended by the Hazardous and Solid Waste Amendments of 1984 and is simultaneously commenced and concluded through the issuance of this CAFO under 40 Code of Federal Regulations (C.F.R.) §§ 22.13(b) and 22.18(b)(2) and (3).
8. Respondent agrees to undertake and complete all actions required by the terms and conditions of this CAFO. In any action by EPA or the United States to enforce the terms of this CAFO, Respondent agrees not to contest the authority or jurisdiction of EPA to issue or enforce this CAFO and agrees not to contest the validity of this CAFO or its terms or conditions.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

9. Respondent is a limited liability company authorized to do business in the State of Texas.

10. Respondent is a "person" within the meaning of Section 1004(15) of RCRA, 42 U.S.C. § 6903(15), and 30 Texas Admin. Code § 3.2(25), [40 C.F.R. § 260.10].
11. Respondent owns and operates the Midland Facility.
12. The Midland Facility is a business that manufactures and supplies specialty oil field chemicals and additives, offering drilling, cementing, well stimulation, fracturing fluids, and other oil field applications.
13. The Midland Facility is a "facility" within the meaning of 30 Texas Admin. Code § 335.1(60) [40 C.F.R. § 260.10].
14. From July 2021 to July 2022, EPA conducted a RCRA record review of the Midland Facility's activities as generators of hazardous waste.
15. EPA discovered that Respondent generated, and offered for transport and treatment, hazardous wastes as defined in 30 Texas Admin. Code § 335.1(70), [40 C.F.R. § 261.10].
16. Based on its review, EPA determined that Respondent generated the hazardous waste streams in quantities that exceeded the threshold amount of 100 kilograms of non-acute hazardous waste in a month, corresponding to a Small Quantity Generator (SQG) status under 30 Texas Admin. Code, Chapter 335, Subchapter C, [40 C.F.R. Part 262], for the periods that such wastes remained onsite.
17. Respondent is a "generator" of "hazardous waste" as those terms are defined in 30 Texas Admin. Code §§ 335.1(66) & (70) [40 C.F.R. § 260.10].
18. As a generator of hazardous waste, Respondent is subject to Sections 3002 and 3010 of RCRA, 42 U.S.C. §§ 6922 and 6930, and the regulations set forth in 30 Texas Admin. Code Chapter 335, Subchapter C, [40 C.F.R. Part 262].

19. EPA submitted to Respondent on July 13, 2021, a Notice of Potential Violation and Opportunity to Confer (“Notice”). In a conference call on August 12, 2022, the EPA conferred with Respondent regarding the violations alleged therein and provided an opportunity for Respondent to submit additional information or materials. In addition, EPA requested more information via emails and telephone requests. In response to EPA’s requests, Respondent submitted additional information and materials on July 14, 2021, August 12, 2021, September 15, 2021, February 15, 2022, April 7, 2022, April 20, 2022, and October 21, 2022. After reviewing the additional information and materials received from Respondent, the EPA found the alleged violations as set forth in the Section IV.

IV. VIOLATIONS

Claim 1. Notification Requirements

20. The allegations in Paragraphs 1-19 are re-alleged and incorporated herein by reference.
21. Pursuant to Section 3010(a) of RCRA, 42 U.S.C. § 6930(a), any person generating a characteristic or listed hazardous waste shall file with EPA or the authorized state a notification stating the location and general description of such activity and the identified characteristic or listed hazardous waste handled by such person. No identified characteristic or listed hazardous waste subject to this subchapter may be transported, treated, stored, or disposed of unless notification has been given as required by Section 3010(a) of RCRA, 42 U.S.C. § 6930(a).
22. Respondent did not file with the EPA or the State of Texas, an authorized state, an adequate and timely notification of its hazardous waste activities at the Facility during 2017, 2019, and 2020 in violation of Section 3010(a) of RCRA, 42 U.S.C. § 6930(a) and 30 Texas Admin. Code § 335.6(c).

Claim 2. Failure to meet the requirements of a Large Quantity Generator

23. The allegations in Paragraphs 1-19 are realleged and incorporated by reference.
24. During the record review, EPA determined that the Midland Facility declared its generator status as a Small Quantity Generator of hazardous waste.
25. Pursuant to 30 Texas Admin. Code §§ 335.69(a) and (b), [40 C.F.R. §§ 262.34 (a) and (b)], a generator may accumulate hazardous waste on-site for 90 days without a permit or interim status provided that the generator complies with the requirements for owners or operators in 40 C.F.R. Part 265, Subparts C and D and with 40 C.F.R. § 265.16, as adopted by reference in Texas Admin. Code § 335.112(a).
26. EPA reviewed Respondent's records for the period from 2018 through 2022 and determined that Respondent failed to incorporate the hazardous waste management provisions within the Spill Prevention, Control and Countermeasure Plan, the Contingency Plan and the Preparedness and Prevention document did not comply with 40 C.F.R. 265 Subpart C & D, and the training program did not comply with 40 C.F.R. § 265.16. Therefore, Respondent violated 30 Texas Admin. Code §§ 335.69(a) and (b), [40 C.F.R. §§ 262.34 (a) and (b)].

Claim 3. Failure to maintain and operate the Midland Facility to minimize the possibility of unplanned releases of hazardous waste

27. The allegations in Paragraphs 1-19 are realleged and incorporated by reference.
28. Pursuant to 30 Texas Admin. Code § 335.112(a)(2), [40 C.F.R. § 265.31], facilities must be maintained and operated to minimize the possibility of a fire, explosion, or any unplanned sudden or non-sudden release of hazardous waste or hazardous waste constituents to air, soil, or surface water which could threaten human health or the environment.

29. EPA reviewed Respondent's records for the period from 2018 through 2022 and determined that Respondent failed to maintain and operate the Midland Facility to minimize the possibility of unplanned sudden or non-sudden releases of hazardous waste. Therefore, Respondent violated 30 Texas Admin. Code § 335.112(a)(2), [40 C.F.R. § 265.31].

V. COMPLIANCE ORDER

30. Pursuant to RCRA § 3008(a), 42 U.S.C. § 6928(a), Respondent is hereby ordered to take the following actions, and **within 90 calendar days** of the effective date of this CAFO, Respondent shall provide in writing the following:

- A. Respondent shall certify that it has assessed all its solid waste streams at the Midland Facility to determine the accurate waste codes and has developed and implemented standard operating procedures ("SOPs") to ensure that Respondent is operating the Midland Facility in compliance with RCRA and the regulations promulgated thereunder, including, but not limited to, procedures for: (a) making hazardous waste determinations; (b) managing hazardous wastes; (c) reporting, transporting, and disposing of hazardous waste; (d) preparing its manifests; and (e) meeting the requirements of the land disposal requirements;
- B. Respondent shall certify that it has accurately and adequately complied with its RCRA Section 3010 notification for the Midland Facility and within the prescribed time period;
- C. Respondent shall provide, with its certification, a copy of Respondent's SOPs as described in subparagraph A above;
- D. Respondent shall certify that the training program is in compliance with 40 C.F.R. § 265.16 to manage hazardous waste at the Midland Facility; and
- E. Respondent shall provide, with its certification, a copy of Respondent's training program as described in subparagraph D above.

31. In all instances in which this CAFO requires written submission to EPA, the submittal made by Respondent shall be signed by an owner or officer of the Respondent and shall include the following certification:

"I certify under the penalty of law that this document and all its attachments were prepared by me or under my direct supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

Copies of all documents required by this CAFO shall be sent to the following:

U.S. EPA, Region 6
1201 Elm Street, Suite 500
Enforcement and Compliance Assurance Division (ECAD)
ATTN: Adolphus Talton
Dallas, Texas 75270-2102

Where required, notice shall be sent electronically by email or telephone to Enforcement Officer Adolphus Talton, respectively at talton.adolphus@epa.gov or at 214-665-6651.

VI. TERMS OF SETTLEMENT

A. Penalty Provisions

32. Pursuant to the authority granted in Section 3008 of RCRA, 42 U.S.C. § 6928, and upon consideration of the entire record herein, including the above referenced Findings of Fact and Conclusions of Law, which are hereby adopted and made a part hereof, upon the seriousness of the alleged violations, and Respondent's good faith efforts to comply with the applicable regulations, it is ordered that Respondent be assessed an administrative **civil penalty of seventy thousand, one hundred and eighty-one dollars (\$70,181)**.
33. The penalty shall be **paid within thirty (30) calendar days** of the effective date of this CAFO and made payable to the Treasurer United States.

34. The EPA web address, <https://www.epa.gov/financial/additional-instructions-making-payments-epa>, provides a list of options available for transmitting payment of penalties.

Options for payment include:

- A. Electronic payments via Pay.gov. <https://www.pay.gov/public/form/start/11751879>
- B. Remittance by Regular Mail, U.S. Postal Mail (including certified mail) or U.S. Postal

Service Express Mail. The check should be remitted to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, Missouri 63197-9000

- C. Overnight Mail (non-U.S. Postal Service), the check should be remitted to:

U.S. Bank
Government Lockbox 979077
U.S. EPA Fines and Penalties
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, Missouri 63101
314-418-1028

- D. Wire Transfer:

Federal Reserve Bank of New York
ABA: 021030004
Account No. 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045

The case name and docket number (**In the Matter of Benchmark Energy Products, LLC**

Docket No. RCRA-06-2023-0910) shall be clearly documented on or within the chosen method of payment to ensure proper credit.

35. The Respondent shall send a simultaneous notice of such payment to the following:

Lorena S. Vaughn
Regional Hearing Clerk (ORC)
U.S. EPA, Region 6
1201 Elm Street, Suite 500
Dallas, Texas 75270-2102

U.S. EPA, Region 6
1201 Elm Street, Suite 500
Enforcement and Compliance Assurance Division (ECAD)
ATTN: Adolphus Talton
Dallas, Texas 75270-2102

Respondent's adherence to this request will ensure proper credit is given when penalties are received by EPA.

36. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, unless otherwise prohibited by law, EPA will assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest on the civil penalty assessed in this CAFO will begin to accrue on the effective date of the CAFO and will be recovered by EPA on any amount of the civil penalty that is not paid within thirty (30) calendar days of the civil penalty's due date and will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a).

37. Moreover, the costs of the Agency's administrative handling overdue debts will be charged and assessed monthly throughout the period the debt is overdue. 40 C.F.R. § 13.11(b). EPA will also assess a \$15.00 administrative handling charge for administrative costs on unpaid penalties for the thirty (30) day period after the payment is due and an additional \$15.00 for each subsequent thirty (30) day period the penalty remains unpaid. In addition, a penalty charge of up to six percent (6%) per year will be assessed monthly on any portion of the debt which remains delinquent more than ninety (90) days. 40 C.F.R. § 13.11(b). Should a penalty charge on the debt

be required, it shall accrue from the first day payment is delinquent. 31 C.F.R. § 901.9(d). Other penalties for failure to make a payment may also apply.

38. For purposes of the identification requirement in Section 162(f)(2)(A)(ii) of the Internal Revenue Code, 26 U.S.C. § 162(f)(2)(A)(ii), and 26 C.F.R. § 162-21(b)(2), performance of the Compliance Order and payment of the administrative civil penalty are restitution, remediation, or required to come into compliance with the law.

B. Costs

39. Each party shall bear its own costs and attorney's fees. Furthermore, Respondent specifically waives its right to seek reimbursement of its costs and attorney's fees under the Equal Access to Justice Act (5 U.S.C. § 504), as amended by the Small Business Regulatory Enforcement Fairness Act (P.L. 04-121), and any regulations promulgated pursuant to those Acts.

C. Termination and Satisfaction

40. When Respondent believes that it has complied with all the requirements of this CAFO, including compliance with the Compliance Order and payment of the administrative civil penalty, Respondent shall also certify this in writing and in accordance with the certification language set forth in Section V (Compliance Order). Unless the EPA, Region 6 objects in writing within thirty (30) days of EPA's receipt of Respondent's certification, then this CAFO is terminated on the basis of Respondent's certification.

D. Effective Date of Settlement

41. This CAFO shall become effective upon filing with the Regional Hearing Clerk.

THE UNDERSIGNED PARTIES CONSENT TO THE ENTRY OF THIS CONSENT AGREEMENT AND FINAL ORDER:

FOR THE RESPONDENT:

Date: 1/20/2023



Benchmark Energy Products, LLC

FOR THE COMPLAINANT:

Cheryl T. Seager

Digitally signed by Seager, Cheryl
Date: 2023.01.23 15:28:44 -06'00'

Cheryl T. Seager
Director
Enforcement and
Compliance Assurance Division
U. S. EPA Region 6, Dallas, Texas

FINAL ORDER

Pursuant to the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, 40 C.F.R. Part 22, the foregoing CAFO is hereby ratified. This Final Order shall not in any case affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Final Order shall resolve only those causes of action alleged herein. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action. Respondent is ordered to comply with the terms of settlement and the civil penalty payment instructions as set forth in the CAFO. Pursuant to 40 C.F.R. § 22.31(b) this Final Order shall become effective upon filing with the Regional Hearing Clerk.

**THOMAS
RUCKI**

Digitally signed by THOMAS RUCKI
DN: c=US, o=U.S. Government,
ou=Environmental Protection
Agency, cn=THOMAS RUCKI,
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Thomas Rucki
Regional Judicial Officer

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Consent Agreement and Final Order was electronically delivered to the Regional Hearing Clerk, U.S. EPA - Region 6, 1201 Elm Street, Suite 500, Dallas, Texas 75270-2102, and that a true and correct copy was sent this day in the following manner to the email addresses:

Copy via Email to Complainant:

pittman.lawrence@epa.gov

Copy via Email to Respondent:

MKral@rockwater.com

elizahurst@aol.com

Ms. Lori Jackson
Paralegal