



REGION 8

DENVER, CO 80202

VIA EMAIL

Jason Pearce, President
Uinta Wax Operating, LLC
5128 Apache Plume Road, Suite 300
Fort Worth, Texas 76107
Via Counsel: ewaeckerlin@bhfs.com, cshephard@bhfs.com



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

L. Scott Baird
Executive Director

DIVISION OF AIR QUALITY
Bryce C. Bird
Director

FILED

2/29/2024

8:00 AM

**U.S. EPA REGION 8
HEARING CLERK**

Re: Notice of Violation to Uinta Wax Operating, LLC CAA-08-2024-0003

Dear Mr. Pearce:

The U.S. Environmental Protection Agency and the Utah Department of Environmental Quality, Utah Division of Air Quality, are jointly issuing Uinta Wax Operating, LLC (UWO) the enclosed Notice of Violation and offering an opportunity to confer regarding alleged violations of the Clean Air Act and its implementing regulations.

Specifically, the EPA and the UDAQ jointly allege that UWO has violated or is violating:

- Standards of Performance for Stationary Spark Ignition Internal Combustion Engines under 40 C.F.R. Part 60, Subpart JJJJ (Subpart JJJJ); and
- Federally enforceable provisions of Approval Orders (state permit) issued by the State of Utah pursuant to an EPA-approved permitting program.

We are offering UWO an opportunity to confer with the EPA and the UDAQ about the violations alleged in the NOV. If UWO is interested in a conference to discuss the alleged violations, please have your counsel call or email Ms. Abigail Dean, Senior Assistant Regional Counsel for EPA Region 8 at (303) 312-6106 or Dean.Abigail@epa.gov within 30 days of receipt of this NOV.

Sincerely,

Bryce C. Bird, Director
Utah Department of Environmental Quality
Division of Air Quality

SUZANNE
BOHAN

Digitally signed by
SUZANNE BOHAN
Date: 2024.02.23
15:10:15 -0700

Suzanne J. Bohan, Director
Enforcement and Compliance
Assurance Division
EPA Region 8

Re: *Notice of Violation to Uinta Wax Operating, LLC*

Enclosures

- (1) Notice of Violation
- (2) Appendix A
- (3) Appendix B

Ecc (w/Encl.):

Karen Pratt, Regulatory Manager, UWO

Kaylene Bridwell, Senior Engineer, UWO

Rik Ombach, Minor Source Compliance Branch, Utah Division of Air Quality, UDEQ

Marina Thomas, Assistant Attorney General, Utah Attorney General's Office

James D. Freeman, Attorney, U.S. Department of Justice

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

and

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY
UTAH DIVISION OF AIR QUALITY

FILED

2/29/2024

8:00 AM

**U.S. EPA REGION 8
HEARING CLERK**

IN THE MATTER OF:)

NOTICE OF VIOLATION

Uinta Wax Operating, LLC)
5128 Apache Plume Road, Suite 300)
Fort Worth, Texas 76107)

EPA Docket No.
CAA-08-2024-0003

) Proceedings Pursuant to
) the Clean Air Act,
) 42 U.S.C. §§ 7401-7671q
) and Utah Code, Title 19, Chapter 2
)

NOTICE OF VIOLATION

The U.S. Environmental Protection Agency (EPA) and the Utah Department of Environmental Quality, Utah Division of Air Quality (UDAQ), jointly allege that Uinta Wax Operating, LLC (UWO) has violated and is violating the Clean Air Act (CAA or the Act) at oil and natural gas production operations located on state land within the Uinta Basin. Specifically, the EPA and the UDAQ jointly allege that UWO has violated and is violating Standards of Performance for Stationary Spark Ignition Internal Combustion Engines under 40 C.F.R. Part 60, Subpart JJJJ (NSPS Subpart JJJJ). The EPA and the UDAQ further jointly allege that UWO has violated and is violating federally enforceable provisions of Approval Orders (state permits) issued by the State of Utah pursuant to an EPA-approved permitting program.

I. STATUTORY AND REGULATORY BACKGROUND

1. The Act's purpose is "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population." 42 U.S.C. § 7401(b)(1).
2. Section 108 of the Act, 42 U.S.C. § 7408, directs the EPA to identify pollutants that "may reasonably be anticipated to endanger public health or welfare" and to issue air quality criteria based on the "latest scientific knowledge" about the effects of the pollutants on public health and the environment. These pollutants are known as "criteria pollutants."
3. Section 109 of the Act, 42 U.S.C. § 7409, requires the EPA to establish national ambient air quality standards (NAAQS) for criteria pollutants. The primary standard must be set at a level "requisite to protect the public health" with an adequate margin of safety, and the secondary standard is intended to protect the "public welfare."

4. Ground-level ozone 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. Short-term exposures (1 to 3 hours) to ground-level ozone can cause acute health effects observed even at low concentrations, including temporary pulmonary inflammation. Long-term exposure (months to years) may cause permanent damage to lung tissue. Children and adults who are active outdoors are particularly susceptible to the adverse effects of exposure to ozone. See National Ambient Air Quality Standards for Ozone, 73 Fed. Reg. 16,436, 16,440 (Mar. 27, 2008).
5. Ozone is not emitted directly from sources of air pollution. Ozone is a photochemical oxidant, formed when volatile organic compounds (VOCs) and nitrogen oxides (NO_x) react in the presence of sunlight. NO_x and VOCs are known as “ozone precursors.” Sources that emit ozone precursors are regulated to reduce ground-level ozone. See National Ambient Air Quality Standards for Ozone, 62 Fed. Reg. 38,856, 38,858 (July 18, 1997).
6. A “stationary source” is a building, structure, facility, or installation that emits or may emit any air pollutant. 42 U.S.C. § 7411(a)(3).

A. New Source Performance Standards

7. Section 111(b) of the Act authorizes the Administrator of the EPA to promulgate standards of performance applicable to “new sources” within categories of sources that cause “air pollution which may reasonably be anticipated to endanger public health or welfare.” 42 U.S.C. § 7411(b).
8. A “new source” is any stationary source, the construction or modification of which is commenced after the promulgation of the standards of performance that will apply to such source. 42 U.S.C. § 7411(a)(2).
9. In 1979, the EPA listed “Crude Oil and Natural Gas Production” as a source category that contributes significantly to air pollution and for which standards of performance would be established. Priority List and Additions to the List of Categories of Stationary Sources, 44 Fed. Reg. 49,222 (Aug. 21, 1979).
10. It is unlawful for owners or operators of any new source to operate in violation of applicable standards of performance after the standards have gone into effect. 42 U.S.C. § 7411(e).

i. **40 C.F.R. Part 60, Subpart JJJ**

11. In 2008, the EPA promulgated “Subpart JJJ – Standards of Performance for Stationary Spark Ignition Internal Combustion Engines” under section 111 of the Act, 73 Fed. Reg. 3591 (Jan. 18, 2008). These standards are set forth in NSPS Subpart JJJ.
12. The provisions of NSPS Subpart JJJ are applicable to manufacturers, owners, and operators of stationary spark ignition (SI) internal combustion engines (ICE).
13. Owners and operators of stationary SI ICE with a maximum engine power of less than 500 horsepower (HP) that commenced construction after June 12, 2006, and were manufactured on or after July 1, 2008, are subject to the requirements of NSPS Subpart JJJ. 40 C.F.R. § 60.4230(a)(4)(iii).

14. The “date that construction commences” is the date the engine is ordered by the owner or operator. 40 C.F.R § 60.4230(a).
15. An owner or operator of a stationary SI ICE that must comply with the emission standards in 40 C.F.R. § 60.4233(d) or (e), must demonstrate compliance according to one of the methods specified in paragraphs (b)(1) and (2) of 40 C.F.R. § 60.4243(b).
16. Paragraph (b)(2) of 40 C.F.R. § 60.4243 states that an owner or operator of a non-certified stationary SI ICE must comply with the emission standards specified in 40 C.F.R. § 60.4233(d) or (e) and according to the requirements specified in 40 C.F.R. § 60.4244, as applicable, and according to paragraphs (b)(2)(i) and (ii) of 40 C.F.R. § 60.4243.
17. Paragraph (b)(2)(i) of 40 C.F.R. § 60.4243 specifies that an owner or operator of a stationary SI ICE greater than 25 HP and less than or equal to 500 HP must keep a maintenance plan and records of conducted maintenance and must, to the extent practicable, maintain and operate the engine in a manner consistent with good air pollution control practice for minimizing emissions.
18. The stationary SI ICE subject to this NOV are fueled by “natural gas” or “pipeline-quality natural gas” as defined in 40 C.F.R. § 60.4248:
 - a. “Natural gas” is defined as a naturally occurring mixture of hydrocarbon and non-hydrocarbon gases found in geologic formations beneath the Earth's surface, of which the principal constituent is methane. Natural gas may be field or pipeline quality.
 - b. “Pipeline-quality natural gas” is defined as a naturally occurring fluid mixture of hydrocarbons (e.g., methane, ethane, or propane) produced in geological formations beneath the Earth’s surface that maintains a gaseous state at standard atmospheric temperature and pressure under ordinary conditions, and which is provided by a supplier through a pipeline. Pipeline-quality natural gas must either be composed of at least 70 percent methane by volume or have a gross calorific value between 950 and 1,100 British thermal units per standard cubic foot.
19. Owners and operators of stationary SI ICE with a maximum engine power greater than 19 kilowatts (KW) (25 HP) and less than 75 KW (100 HP) must comply with the emission standards for field testing at non-emergency stationary SI ICE in 40 C.F.R. § 1048.101(c). 40 C.F.R. § 60.4233(d).
20. Owners and operators of stationary SI ICE that are required to meet standards that reference 40 C.F.R. § 1048.101 must, if testing their engines in use, meet the standards in that section applicable to field testing. 40 C.F.R. § 60.4233(h).
21. 40 C.F.R. § 1048.101 sets forth exhaust emission standards for certain nonroad ICE, applicable by model year, including field-testing standards. In relevant part:
 - a. Beginning in 2007, exhaust emissions from SI ICE may not exceed field-testing standards, as

follows: the NO_x standard is 3.8 grams per kilowatt-hour (g/kW-hr) [2.83 g/hp-hr]¹ and the carbon monoxide (CO) standard is 6.5 g/kW-hr [4.85 g/hp-hr]. For natural gas-fueled engines, owners and operators are not required to measure nonmethane hydrocarbon emissions or total hydrocarbon emissions for testing to show that the engine meets the emission standards of this paragraph (c); that is, owners and operators may assume HC emissions are equal to zero. 40 C.F.R. § 1048.101 (c)(2).

22. Owners and operators of stationary SI ICE with a maximum engine power greater than or equal to 75 KW (100 HP) (except gasoline and rich burn engines that use liquefied petroleum gas (LPG)) must comply with the emission standards in Table 1 to NSPS Subpart JJJJ. 40 C.F.R. § 60.4233(e).
23. Table 1 to NSPS Subpart JJJJ sets forth NO_x, CO, and VOC emission standards for stationary non-emergency SI engines greater than or equal to 100 horsepower.
 - a. The NO_x standard is 2.0 grams per horsepower-hour (g/HP-hr); the carbon monoxide (CO) standard is 4.0 grams per horsepower-hour (g/HP-hr); and the VOC is 1.0 grams per horsepower-hour (g/HP-hr). 40 C.F.R. pt. 60, subpart JJJJ, Table 1.

B. Approval Orders

24. All potential sources of air pollution subject to the State of Utah's air quality regulations must submit a notice of intent and receive an approval order (AO) from the State prior to initiation of construction, modification, or relocation, unless exempt under the regulations. See Utah Admin. Code R307-401.
25. The EPA approved the State of Utah's notice of intent and AO requirements into Utah's State Implementation Plan minor new source review program. 79 Fed. Reg. 7072 (Feb. 6, 2014). Requirements in AOs are therefore federally enforceable. See 40 C.F.R. § 52.23.

*i. **Womack 13-9-3-1E and Womack 13-9-3-1E-H1***

26. On November 13, 2017, the UDAQ issued AO DAQE-AN146400004-17 for Womack 13-9-3-1E and Womack 13-9-3-1E-H1 to Crescent Point Energy U.S. Corp. (Womack AO). These facilities were subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. See Notification of Company Ownership Change for Various Approval Orders, Crescent Point Energy U.S. Corp to CH4 Finley Operating, LLC, Project Number: N144080006, DAQ-2020-017003 (Dec. 2, 2020) (Notification of Ownership Change). The Womack AO was in effect until January 9, 2024.
27. Effective January 9, 2024, the Womack AO has been revoked by UDAQ at UWO's request. See DAQE-GN14657003-24, Revocation of Various Uinta Wax Operating, LLC Approval Orders, Project Number N146570003 (Jan. 9, 2024) (AO Revocation). Womack 13-9-3-1E and Womack 13-9-3-1E-H1 are now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative

¹ One kilowatt is equivalent to 1.34102 mechanical horsepower. Therefore, 3.8 g/kW-hr divided by 1.34102 horsepower is 2.83 g/hp-hr.

Code R307-506 through R307-510 (CAERS ID # 300, Site ID 14640).

28. The Womack AO includes two pumpjack engines—one for Womack 13-9-3-1E (Condition II.A.11) and one for Womack 13-9-3-1E-H1 (Condition II.A.3). The Womack AO contains conditions applicable to stationary SI ICE, including compliance with emission standards in NSPS Subpart JJJJ, *see* Condition II.B.6.a, and maintenance of documentation demonstrating that stationary SI ICE meet the emission standards in NSPS Subpart JJJJ, *see* Condition II.B.6.a.1. The Womack AO also requires that UWO use only natural gas as fuel in each engine on site. *See* Condition II.B.6.c.

*ii. **Deep Creek 14-9-4-2E***

29. On May 20, 2016, the UDAQ issued AO DAQE-AN146850003-16 for Deep Creek 14-9-4-2E to Crescent Point Energy U.S. Corp (Deep Creek 14-9-4-2E AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. *See* Notification of Ownership Change. The Deep Creek 14-9-4-2E AO was in effect until January 9, 2024.
30. Effective January 9, 2024, the Deep Creek 14-9-4-2E AO has been revoked by UDAQ at UWO’s request. *See* AO Revocation. Deep Creek 14-9-4-2E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 128, Site ID 14685).
31. The Deep Creek 14-9-4-2E AO includes one pumpjack engine. *See* Condition II.A.2. The Deep Creek 14-9-4-2E AO contains conditions applicable to stationary SI ICE, including compliance with 40 C.F.R. §§ 60.4233(d) and (e), 60.4243(f), 60.4245(a) and (b). *See* Condition II.B.3.a.

*iii. **Lamb 4-15-4-2E***

32. On August 31, 2016, the UDAQ issued AO DAQE-AN146530003-16 for Lamb 4-15-4-2E to Crescent Point Energy U.S. Corp. (Lamb AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. *See* Notification of Ownership Change. The Lamb AO was in effect until January 9, 2024.
33. Effective January 9, 2024, the Lamb AO has been revoked by UDAQ at UWO’s request. *See* AO Revocation. Lamb 4-15-4-2E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 311, Site ID 14653).
34. The Lamb AO includes one pumpjack engine. *See* Condition II.A.2. The Lamb AO provides in Section III that all applicable provisions of several federal programs apply, including NSPS Subpart JJJJ. *See* Section III, Applicable Federal Requirements.

*iv. **ULT 3-35-3-1E***

35. On October 14, 2015, the UDAQ issued AO DAQE-AN147420002-15² for ULT 3-35-3-1E to Crescent Point Energy U.S. Corp. (ULT 3-35-3-1E AO). This facility was subsequently sold to UWO,

² This AO was a modification of the previous AO DAQE-AN147420001-13 to decrease production and remove a combustor.

and notification of ownership change was filed with UDAQ on December 2, 2020. *See Notification of Ownership Change.* The ULT 3-35-3-1E AO was in effect until January 9, 2024.

36. Effective January 9, 2024, the ULT 3-35-3-1E AO has been revoked by UDAQ at UWO's request. *See AO Revocation.* ULT 3-35-3-1E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 135, Site ID 14742).
37. The ULT 3-35-3-1E AO includes one pumpjack engine. *See Condition II.A.2.* The ULT 3-35-3-1E AO contains conditions applicable to stationary SI ICE, including compliance with 40 C.F.R. §§ 60.4233(d) and (e), 60.4243(f), 60.4245(a) and (b). *See Condition II.B.3.a.*

v. ***ULT 4-35-3-1E***

38. On April 10, 2013, the UDAQ issued AO DAQE-AN147450001-13 for ULT 4-35-3-1E to Crescent Point Energy U.S. Corp. (ULT 4-35-3-1E AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. *See Notification of Ownership Change.* The ULT 4-35-3-1E AO was in effect until January 9, 2024.
39. Effective January 9, 2024, the ULT 4-35-3-1E AO has been revoked by UDAQ at UWO's request. *See AO Revocation.* ULT 4-35-3-1E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 100215, Site ID 14745).
40. The ULT 4-35-3-1E AO includes one pumpjack engine. *See Condition II.A.9.* The ULT 4-35-3-1E AO provides in Section III that all applicable provisions of several federal programs apply, including NSPS Subpart JJJ. *See Section III, Applicable Federal Requirements.*

vi. ***Deep Creek 9-15-4-2E***

41. On December 19, 2013, the UDAQ issued AO DAQE-AN146440002-13 for Deep Creek 9-15-4-2E to Crescent Point Energy U.S. Corp. (Deep Creek 9-15-4-2E AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. *See Notification of Ownership Change.* The Deep Creek 9-15-4-2E AO was in effect until January 9, 2024.
42. Effective January 9, 2024, the Deep Creek 9-15-4-2E AO has been revoked by UDAQ at UWO's request. *See AO Revocation.* Deep Creek 9-15-4-2E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 100188, Site ID 14644).
43. The Deep Creek 9-15-4-2E AO includes one pumpjack engine. *See Condition II.A.9.* The Deep Creek 9-15-4-2E AO provides in Section III that all applicable provisions of several federal programs apply, including NSPS Subpart JJJ. *See Section III, Applicable Federal Requirements.*

vii. **Kendall 15-7-3-1E**

44. On January 2, 2018, the UDAQ issued AO DAQE-AN147250003-18 for Kendall 15-7-3-1E³ to Crescent Point Energy U.S. Corp. (Kendall 15-7-3-1E AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. *See* Notification of Ownership Change. The Kendall 15-7-3-1E AO was in effect until January 9, 2024.
45. Effective January 9, 2024, the Kendall 15-7-3-1E AO has been revoked by UDAQ at UWO's request. *See* AO Revocation. Kendall 15-7-3-1E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 340, Site ID 14725).
46. The Kendall 15-7-3-1E AO includes one pumpjack engine for the Kendall 15-7-3-1E facility. *See* Condition II.A.11. Kendall 15-7-3-1E AO contains conditions applicable to stationary SI ICE, including compliance with emission standards in NSPS Subpart JJJJ, *see* Condition II.B.6.a, and maintenance of documentation demonstrating that stationary SI ICE meets the emission standards in NSPS Subpart JJJJ, *see* Condition II.B.6.a.1. The Kendall 15-7-3-1E AO also requires that UWO use only natural gas as fuel in each engine on site. *See* Condition II.B.6.c.

viii. **Merritt 1-18-3-1E-H1**

47. On February 8, 2018, the UDAQ issued AO DAQE-AN146670003-18 for Merritt 1-18-3-1E-H1⁴ to Crescent Point Energy U.S. Corp. (Merritt AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. *See* Notification of Ownership Change. The Merritt AO was in effect until January 9, 2024.
48. Effective January 9, 2024, the Merritt AO has been revoked by UDAQ at UWO's request. *See* AO Revocation. Merritt 1.5-18-3-1E-H1 is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 321, Site ID 14667).
49. The Merritt AO includes one pumpjack engine. *See* Condition II.A.2. The Merritt AO contains conditions applicable to stationary SI ICE, including compliance with the emission standards listed in 40 C.F.R. § 60.4233 "for each stationary engine on site, regardless of the engine's construction, reconstruction, or modification date." Condition II.B.2.a. "To determine the applicable emission standards, the owner/operator shall use the date of this AO for the manufacturer date of the engine and shall use the maximum horsepower of the engine." *Id.* To demonstrate compliance with the applicable emission standards, the owner/operator shall either purchase a certified SI ICE (as defined in 40 C.F.R. § 60.4248) or conduct an initial performance test as required by 40 C.F.R. § 60.4244. *See* Condition II.B.2.a.1.
50. The Merritt AO further contains conditions applicable to stationary SI ICE, including maintenance of documentation demonstrating engine certification or initial performance test, *see* Condition II.B.2.a.2, and a requirement that only natural gas shall be used as fuel in each engine on site. *See* Condition II.B.2.c.

³ This AO also includes Kendall 2-18-3-1E-CP and Kendall 2-18-3-1E-WS, but these facilities are not at issue in this NOV.

⁴ Merritt 1-18-3-1E-H1 is also known as Merritt 1.5-18-3-1E-H1 in some state filings.

ix. **Gavitte 15-23-3-1E**

51. On December 19, 2013, the UDAQ issued AO DAQE-AN146490002-13 for Gavitte 15-23-3-1E to Crescent Point Energy U.S. Corp. (Gavitte 15-23-3-1E AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. *See* Notification of Ownership Change. The Gavitte 15-23-3-1E AO was in effect until January 9, 2024.
52. Effective January 9, 2024, the Gavitte 15-23-3-1E AO has been revoked by UDAQ at UWO's request. *See* AO Revocation. Gavitte 15-23-3-1E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 100192, Site ID 14649).
53. The Gavitte 15-23-3-1E AO includes one pumpjack engine. *See* Condition II.A.9. The Gavitte 15-23-3-1E AO provides in Section III that all applicable provisions of several federal programs apply, including NSPS Subpart JJJJ. *See* Section III, Applicable Federal Requirements.

x. **Gavitte 4-26-3-1E**

54. On October 1, 2015, the UDAQ issued AO DAQE-AN147200002-15⁵ for Gavitte 4-26-3-1E to Crescent Point Energy U.S. Corp. (Gavitte 4-26-3-1E AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. *See* Notification of Ownership Change. The Gavitte 4-26-3-1E AO was in effect until January 9, 2024.
55. Effective January 9, 2024, the Gavitte 4-26-3-1E AO has been revoked by UDAQ at UWO's request. *See* AO Revocation. Gavitte 4-26-3-1E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 336, Site ID 14720).
56. The Gavitte 4-26-3-1E AO includes one pumpjack engine. *See* Condition II.A.2. The Gavitte 4-26-3-1E AO contains conditions applicable to stationary SI ICE, including compliance with 40 C.F.R. §§ 60.4233(d) and (e), 60.4243(f), 60.4245(a) and (b). *See* Condition II.B.3.a.

xi. **Kendall 1-18-3-1E**

57. On September 16, 2015, the UDAQ issued AO DAQE-AN147220002-15⁶ for Kendall 1-18-3-1E to Crescent Point Energy U.S. Corp. (Kendall 1-18-3-1E AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. *See* Notification of Ownership Change. The Kendall 1-18-3-1E AO was in effect until January 9, 2024.
58. Effective January 9, 2024, Kendall 1-18-3-1E AO has been revoked by UDAQ at UWO's request. *See* AO Revocation. Kendall 1-18-3-1E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 338, Site ID 14722).
59. The Kendall 1-18-3-1E AO includes one pumpjack engine. *See* Condition II.A.2. The Kendall 1-18-3-

⁵ This AO was a modification of the previous AO DAQE-AN147200001-13 to decrease production and remove a combustor.

⁶ This AO was a modification of the previous AO DAQE-AN147220001-13 to decrease production and remove a combustor.

1E AO contains conditions applicable to stationary SI ICE, including compliance with 40 C.F.R. §§ 60.4233(d) and (e), 60.4243(f), 60.4245(a) and (b). See Condition II.B.3.a.

xii. **Kendall 5-17-3-1E**

60. On September 5, 2014, the UDAQ issued AO DAQE-AN146550002-14 for Kendall 5-17-3-1E to Crescent Point Energy U.S. Corp. (Kendall 5-17-3-1E AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. See Notification of Ownership Change. The Kendall 5-17-3-1E AO was in effect until January 9, 2024.
61. Effective January 9, 2024, the Kendall 5-17-3-1E AO has been revoked by UDAQ at UWO's request. See AO Revocation. Kendall 5-17-3-1E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 100194, Site ID 14655).
62. The Kendall 5-17-3-1E AO includes one pumpjack engine. See Condition II.A.9. The Kendall 5-17-3-1E AO provides in Section III that all applicable provisions of several federal programs apply, including NSPS Subpart JJJJ. See Section III, Applicable Federal Requirements.

xiii. **Gardner State 1-26-3-2E**

63. On November 8, 2016, the UDAQ issued AO DAQE-AN154500002-16⁷ for Gardner State 1-26-3-2E to Crescent Point Energy U.S. Corp. (Gardner State AO). This facility was subsequently sold to UWO, and notification of ownership change was filed with UDAQ on December 2, 2020. See Notification of Ownership Change. The Gardner State AO was in effect until January 9, 2024.
64. Effective January 9, 2024, Gardner State AO has been revoked by UDAQ at UWO's request. See AO Revocation. Gardner State 1-26-3-2E is now registered with UDAQ under Utah Permit-by-Rule Regulations in Utah Administrative Code R307-506 through R307-510 (CAERS ID # 220, Site ID 15450).
65. Gardner State AO includes one pump jack engine. See Condition II.A.2. Gardner State AO provides in Section III that all applicable provisions of several federal programs apply, including NSPS Subpart JJJJ. See Section III, Applicable Federal Requirements.

II. FACTUAL BACKGROUND & FINDINGS OF VIOLATION

A. Factual Background

66. UWO is a limited liability company organized in the State of Delaware and at all relevant times to this NOV, was and is doing business in the State of Utah.

⁷ This AO was a modification of the previous AO DAQE-AN154500001-15 to increase crude oil production.

67. UWO is a “person” within the meaning of section 302(e) of the Act. 42 U.S.C. § 7602(e).
68. UWO owns or operates oil and natural gas production facilities located in the Uinta Basin.
69. A pumpjack engine is a device used to extract crude oil from an oil well where there is not high enough pressure in the well to force the oil to the surface. A pumpjack engine also provides power to heat trace pumps, which provide heat to the rest of the oil and natural gas production facility. All pumpjack engines operated by UWO are fueled with natural gas.
70. UWO operates the pumpjack engines continuously. When oil production is down, the engines are still operated at maximum power to continue generating power for heat trace circulation pumps.
71. On September 13, 2021, and September 16, 2021, the EPA conducted inspections of UWO’s oil and natural gas production facilities in the Uinta Basin. Alliance Source Testing, LLC (Alliance), an EPA contractor, performed EPA Test Methods 3A, 7E, 10, 19, and 25A (stack testing) for nine pumpjack engines located at the oil and natural gas production facilities. *See Appendix A, Summary of Results Tables 2-1 through 2-3.*
72. On July 25, 2022, July 26, 2022, and August 2, 2022, the EPA conducted inspections, jointly with the UDAQ, of UWO’s oil and natural gas production facilities in the Uinta Basin. Alliance performed stack testing for fifteen pumpjack engines located at the oil and gas production facilities. *See Appendix B, Summary of Results Tables 2-1 through 2-4.*
73. At the oil and natural gas production facilities inspected by the EPA and UDAQ, UWO operates two-stroke, lean burn pumpjack engines and four-stroke rich burn pumpjack engines.
74. All the pumpjack engines inspected were greater than 25 horsepower but less than 500 HP.
75. All the pumpjack engines inspected and stack tested that are subject to this NOV were manufactured after July 1, 2008.
76. During the 2021 and 2022 inspections, inspectors observed that UWO did not operate fuel flow monitors at the pumpjack engines to quantify the amount of fuel used by each engine. UWO could not produce records of the amount of fuel used by each engine.
77. During the inspections, UWO representatives stated to inspectors that UWO does not have a maintenance program to proactively and immediately respond to excess emissions from the engines. According to a maintenance schedule submitted to the EPA on January 6, 2022, there is a manufacturer’s recommended schedule for AJAX and Arrow L-795 model engines. *See engine types in Tables 1 and 2, below.* However, to date, the EPA has only received a one-time maintenance record for AJAX engines for the maintenance performed in July 2023 and no records for Arrow L-795 engines.
78. UWO uses dry natural gas from nearby gas plants and compressor stations to fuel the pumpjack engines the EPA inspected and stack tested. This dry natural gas does not meet the NSPS Subpart JJJ definition of pipeline-quality natural gas in 40 CFR § 60.4248. The fuel analysis provided by

UWO indicates that the dry natural gas UWO uses for fuel is not composed of at least 70 percent methane by volume and does not have a gross calorific value between 950 and 1,100 British thermal units per standard cubic foot.

79. UWO meters the natural gas throughput at each gas plant that fuels its pumpjack engines.
80. During the inspections, casinghead gas produced from each well was being used as fuel for the pumpjack engines when the inlet pressure of the processed natural gas from the gas plant decreased below 20 pounds per square gauge. UWO did not produce any results of fuel analyses for casinghead gas to the EPA. Therefore, the hydrocarbon content of the casinghead gas is unknown.
81. On November 15, 2021, the EPA sent an inspection report to UWO describing the September 13, 2021, and September 16, 2021, inspection findings.
82. On November 15, 2022, the EPA sent an inspection report to UWO describing the July 25, 2022, July 26, 2022, and August 2, 2022, inspection findings.

B. Findings of Violation

i. NSPS Subpart JJJ (Jointly Alleged by EPA and Utah)

83. The eleven pumpjack engines identified in Tables 1 and 2, below, are stationary SI ICE that were manufactured after 2008 with a maximum engine power of less than 100 HP and are subject to the requirements of NSPS Subpart JJJ.
84. UWO owns and operates the pumpjack engines listed in Tables 1 and 2.
85. The stack test results from the inspections conducted in 2021 and 2022 demonstrate that six pumpjack engines exceeded the NO_x emission standard of 2.83 g/hp-hr [3.8 g/kW-hr] as set forth in 40 C.F.R. § 1048.101(c). The engines that exceeded NO_x emission standard are identified in Table 1, below:

Table 1 Engines Greater than 25HP but Less than 100HP that Exceeded NO_x Emission Standard

Facility Name	Year Inspected	Location	Manufacturer, Model, & Year Manufactured	Serial #	Type of Engine	Horse Power	NO _x (g/hp-hr)
ULT 3-35-3-1E	2021	State	Arrow, A-90, 2014	BEA90S004	4SRB	92	3.1
ULT 4-35-3-1E	2021	State	Arrow, A-90, 2014	BEA90S003	4SRB	92	8.6
Deep Creek 9-15-4-2E	2022	State	Arrow, L-795, After 2012	AIL 795038	2SLB	65	3.4
Merritt 1-18-3-1E-H1	2022	State	Arrow, L-795, After 2012	Unknown	2SLB	78.3	7.5
Gavitte 4-26-3-1E	2022	State	Arrow, L-795, 2012	L-601200	2SLB	65	7.2

Facility Name	Year Inspected	Location	Manufacturer, Model, & Year Manufactured	Serial #	Type of Engine	Horse Power	NOx (g/hp-hr)
Gardner State 1-26-3-2E	2022	State	Arrow, L-795, 2012	SP114P1	2SLB	65	8.7

86. The stack test results from the inspections conducted in 2021 and 2022 demonstrate that seven engines exceeded the CO emission standard of 4.85 g/hp-hr [6.5 g/kW-hr] as set forth in 40 C.F.R. § 1048.101(c). The engines that exceeded the CO emission standard are identified in Table 2, below:

Table 2. Engines Greater than 25 HP but Less than 100 HP that Exceeded CO Emission Standard

Facility Name	Year Inspected	Location	Manufacturer, Model, & Year Manufactured	Serial #	Type of Engine	Horsepower	Carbon Monoxide (g/hp-hr)
Womack 13-9-3-1E	2021	State	Arrow, L-795, 2014	DDL795005	2SLB	65	35.1
Womack 13-9-3-1E-H1	2021	State	Arrow, L-795, 2014	BDA90S008	4SRB	65	73.6
Lamb 4-15-4-2E	2021	State	Arrow, A-90, 2014	L-600994	2SLB	65	72.5
ULT 3-35-3-1E	2021	State	Arrow, A-90, 2014	BEA90S004	4SRB	92	55.6
ULT 4-35-3-1E	2021	State	Arrow, A-90, 2014	BEA90S003	4SRB	92	38.6
Deep Creek 14-9-4-2E	2021	State	Arrow, A-90, 2014	L-600842	2SLB	65	109.4
Kendall 5-17-3-1E	2022	State	Arrow, L-795, After 2012	Unknown	2SLB	78.3	99.1

87. UWO has operated and continues to operate the pumpjack engines identified in Tables 1 and 2 above in violation of 40 C.F.R § 60.4233(d) and the emission standards set forth in 40 C.F.R. § 1048.101(c).

88. UWO has not kept a maintenance plan and records of conducted maintenance for the engines listed in Tables 1 and 2 to demonstrate compliance with the applicable emissions standards and has not maintained and operated these engines in a manner consistent with good air pollution control practices for minimizing emissions. Therefore, UWO has operated and continues to operate the engines in violation of 40 C.F.R. § 60.4243(b)(2)(i).

89. The three pumpjack engines identified in Table 3, below, are stationary SI ICE that were manufactured after 2008 with a maximum engine power greater than or equal to 100 HP (75 KW) and are subject to the requirements of NSPS Subpart JJJJ.
90. UWO owns and operates the pumpjack engines listed in Table 3.
91. The stack test results from the inspections conducted in 2021 and 2022 demonstrate that two engines exceeded the CO emission standard of 4.0 g/hp-hr; three engines exceeded the NO_x emission standard of 2.0 g/hp-hr; and two engines exceeded VOC emission standard of 1.0 g/hp-hr, as set forth in Table 1 of NSPS Subpart JJJJ. The engines that exceeded the emissions standards are identified in Table 3, below:

Table 3. Engines Greater than 100 HP but less than 500 HP that Exceeded NO_x, Carbon Monoxide and VOC Emission Standards

Facility Name	Year Inspected	Location	Manufacturer, Model, & Year Manufactured	Serial #	Type of Engine	Horse power	CO (g/hp-hr)	NO _x (g/hp-hr)	VOC (g/hp-hr)
Kendall 15-7-3-1E	2022	State	Arrow, A-90, 2014	BCA90 5002	4SRB	109	-	6.7	7.73
Gavitte 15-23-3-1E/10-23-3-1E	2022	State	Arrow, A-90, 2014	BFA90 5004	4SRB	109	20.7	8	0.75
Kendall 1-18-3-1E	2022	State	Arrow, A-90, 2013	AKA90 5002	4SRB	109	26.8	3.1	3.46

92. UWO has operated and continues to operate the pumpjack engines identified in Table 3, above, in violation of 40 C.F.R § 60.4233(e) and the emission standards as set forth in Table 1 of NSPS subpart JJJJ.
93. UWO has not kept a maintenance plan and records of conducted maintenance for the engines listed in Table 3 to demonstrate compliance with the applicable emissions standards and has not maintained and operated these engines in a manner consistent with good air pollution control practices for minimizing emissions. Therefore, UWO has operated and continues to operate the engines in violation of 40 C.F.R. § 60.4243(b)(2)(ii).
94. UWO has violated and continues to violate section 111(e) of the Act, 42 U.S.C. § 7411(e), and its implementing regulations at NSPS Subpart JJJJ

ii. State of Utah AOs (Jointly Alleged by EPA and Utah)

95. The twelve pumpjack engines identified in Table 4, below, are stationary SI ICE that were manufactured after 2008 with a maximum engine power of less than 500 HP and are subject to the requirements of NSPS Subpart JJJJ as stated in the applicable State of Utah’s AOs. The applicable AOs and conditions are listed in Table 4.

Table 4. Facilities with Applicable State of Utah AOs with Engines Greater than 25 HP but Less than 100 HP that Exceeded NOx and Carbon Monoxide Emission Standards

Facility Name	State AO Number	Applicable Conditions
ULT 3-35-3-1E	DAQE-AN147420002-15	Condition II.B.3.a
ULT 4-35-3-1E	DAQE-AN147450001-13	Section III (NSPS Subpart JJJ)
Deep Creek 9-15-4-2E	DAQE-AN146440002-13	Section III (NSPS Subpart JJJ)
Merritt 1-18-3-1E-H1	DAQE-AN146670003-18	Conditions II.B.2.a, II.B.2.a.1, II.B.2.a.2, II.B.2.c
Gavitte 4-26-3-1E	DAQE-AN147200002-15	Condition II.B.3.a
Gardner State 1-26-3-2E	DAQE-AN154500002-16	Section III (NSPS Subpart JJJ)
Womack 13-9-3-1E	DAQE-AN146400004-17	Conditions II.B.6.a, II.B.6.a.1, II.B.6.c
Womack 13-9-3-1E-H1	DAQE-AN146400004-17	Conditions II.B.6.a, II.B.6.a.1, II.B.6.c
Lamb 4-15-4-2E	DAQE-AN146530003-16	Section III (NSPS Subpart JJJ)
Gavitte 15-23-3-1E	DAQE-AN146490002-13	Section III (NSPS Subpart JJJ)
Kendall 5-17-3-1E	DAQE-AN146550002-14	Section III (NSPS Subpart JJJ)
Deep Creek 14-9-4-2E	DAQE-AN146850003-16	Condition II.B.3.a

96. UWO owns and operates the pumpjack engines listed in Table 4, above.
97. The stack test results from the inspections conducted in 2021 and 2022 demonstrate that six pumpjack engines with a maximum engine power of less than 100 HP exceeded the NOx emission standard of 2.83 g/hp-hr [3.8 g/kW-hr] as set forth in 40 C.F.R. § 1048.101(c) and the applicable AO conditions identified in Table 4. The engines that exceeded the NOx emission standard are identified in Table 1, above.
98. The stack test results from the inspections conducted in 2021 and 2022, demonstrate that seven pumpjack engines with a maximum engine power of less than 100 HP exceeded the CO emission standard of 4.85 g/hp-hr [6.5 g/kW-hr] as set forth in 40 C.F.R. § 1048.101(c) and the applicable AO conditions identified in Table 4. The engines that exceeded the CO emission standard are identified in Table 2, above.
99. UWO has operated and continues to operate the pumpjack engines identified in Tables 1 and 2, above, in violation of 40 C.F.R § 60.4233(d), the emission standards set forth in 40 C.F.R. § 1048.101(c), and the applicable AO conditions identified in Table 4.
100. UWO has not kept a maintenance plan and records of conducted maintenance for the engines listed in Tables 1 and 2 to demonstrate compliance with the applicable emissions standards and has not maintained and operated these engines in a manner consistent with good air pollution

control practices for minimizing emissions. Therefore, UWO has operated and continues to operate the engines in violation of 40 C.F.R. § 60.4243(b)(2)(i) and the applicable AO conditions identified in Table 4.

101. The three pumpjack engines identified in Table 5, below, are stationary SI ICE that were manufactured after 2008 with a maximum engine power greater than or equal to 75 KW (100 HP) and are subject to the requirements of NSPS Subpart JJJJ as stated in the applicable State of Utah’s AOs. The applicable AOs and conditions are listed in Table 5.

Table 5. Facilities with Applicable State of Utah AOs with Engines Greater than 100 HP but Less than 500 HP that Exceeded NOx, Carbon Monoxide, and VOC Emission Standards

Facility Name	State AO Number	Applicable Conditions
Kendall 15-7-3-1E	DAQE-AN147250003-18	Conditions II.B.6.a, II.B.6.a.1, II.B.6.c
Gavitte 15-23-3-1E	DAQE-AN146490002-13	Section III (NSPS Subpart JJJJ)
Kendall 1-18-3-1E	AO DAQE-AN147220002-15	Condition II.B.3.a

102. UWO owns and operates the pumpjack engines listed in Table 5 above.
103. The stack test results from the inspections conducted in 2021 and 2022 demonstrate that two engines exceeded the CO emission standard of 4.0 g/hp-hr; three engines exceeded the NOx emission standard of 2.0 g/hp-hr; and two engines exceeded VOC emission standards of 1.0 g/hp-hr, as set forth in Table 1 of NSPS Subpart JJJJ. The engines that exceeded the emissions standards are identified in Table 3 above.
104. UWO has operated and continues to operate the pumpjack engines identified in Table 3, above, in violation of 40 C.F.R § 60.4233(e), the emission standards as set forth in Table 1 of NSPS Subpart JJJJ, and the applicable AO conditions identified in Table 5.
105. UWO has not kept a maintenance plan and records of conducted maintenance for the engines listed in Table 3 to demonstrate compliance with the applicable emissions standards and has not maintained and operated these engines in a manner consistent with good air pollution control practices for minimizing emissions. Therefore, UWO has operated and continues to operate the engines in violation of 40 C.F.R. § 60.4243(b)(2)(ii) and the applicable AO conditions identified in Table 5.
106. UWO has violated and continues to violate State of Utah AOs at the facilities identified in Tables 4 and 5 above.

III. ENFORCEMENT AUTHORITY

107. Section 113(a)(3) of the Act, 42 U.S.C. § 7413(a)(3), provides the Administrator with the authority that whenever, on the basis of any information available to the Administrator, the Administrator finds that any person has violated, or is in violation of, any requirement of prohibition of the Act other than State Implementation Plans, including New Source Performance Standards, the

Administrator may issue an order requiring such person to comply with the requirements or prohibition of the Act, issue an administrative penalty order in accordance with section 113(d) of the Act, or bring a civil action in accordance with section 113(b) of the Act for injunctive relief or civil penalties.

108. Section 19-2-107(2)(a)(xiii) of the Utah Code authorizes the Director of the UDAQ (subject to the provisions of the Utah Air Conservation Act) to enforce rules through the issuance of orders, including (A) prohibiting or abating discharges of wastes affecting ambient air; (B) requiring the construction of new control facilities or any parts of new control facilities or the modification, extension, or alteration of existing control facilities or any parts of new control facilities; or (C) adopting other remedial measures to prevent, control, or abate air pollution.
- a. Section 19-2-110(1) of the Utah Code provides that whenever the Director “has reason to believe that a violation of any provision of this chapter [Utah Air Conservation Act, Title 19, Chapter 2] or any rule issued under it has occurred, the director may serve a written notice of the violation upon the alleged violator.”
 - b. Violations of the State of Utah AOs may result in imposition of the civil penalties under Section 19-2-115(2)(a) of the Utah Code. Declaratory and injunctive relief may be sought under Section 19-2-116 of the Utah Code.
109. The issuance of this NOV does not in any way limit or preclude the EPA from pursuing additional enforcement options concerning inspections referenced in this NOV. Also, this NOV does not preclude enforcement action for violations not specifically addressed in this NOV.

SUZANNE
BOHAN

Digitally signed by
SUZANNE BOHAN
Date: 2024.02.23
15:12:20 -07'00'

Suzanne J. Bohan, Director
Enforcement and Compliance Assurance Division
Environmental Protection Agency, Region 8



Bryce C. Bird, Director
Utah Division of Air Quality
Utah Department of Environmental Quality