



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1201 ELM STREET, SUITE 500
DALLAS, TEXAS 75270-2102

August 26, 2021

TRANSMITTED VIA EMAIL

Mr. Jake Sell, Registered Agent
Raptor Resources, LLC
63555 North Indigo Trail
Owasso, OK 74055
jasell12@yahoo.com

Re: Final Administrative Order
Well Number: 18W
EPA Inventory ID: OS632000
Docket Number: SDWA-06-2021-1103

Dear Mr. Sell:

Attached is a Final Administrative Order (Final Order) issued by the United States Environmental Protection Agency, Region 6 (EPA) to Raptor Resources, LLC (Respondent) for violations of the Safe Drinking Water Act (SDWA). The Final Order requires Raptor Resources, LLC to comply with regulatory requirements specified in the Final Order. EPA requests that the Respondent immediately confirm receipt of this e-mail and the attached Final Order by a response e-mail to rudolph.matthew@epa.gov.

The violations of the SDWA were identified through a review of files that EPA maintains on the referenced injection well. The violations were for failing to comply with conditions of the EPA UIC permit. The Final Order does not assess a monetary penalty; however, it does require compliance with SDWA requirements and specifies deadlines for compliance. The Final Order requires Raptor Resources, LLC to comply with certain SDWA regulatory requirements. Please be aware that failure to comply with the Final Order may subject Raptor Resources, LLC to additional enforcement action by EPA, including the initiation of legal proceedings to seek monetary penalties. The effective date of the Final Order is thirty (30) days after the date of this letter unless an appeal is taken pursuant to Section 1423(c)(6) of the SDWA, 42 U.S.C. § 300h-2(c)(6).

The SDWA provides that you, or any person who commented on the proposed order, may file an appeal of the final order with the United States District Court for the District of Columbia or the district in which the violations occurred. Such appeal must be filed within 30 days after the final order is issued. If you file an appeal, you must simultaneously send a copy of the appeal by certified mail to the Administrator of the Environmental Protection Agency and to the U. S. Attorney General.

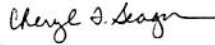
Also attached is an "Information Sheet" relating to the Small Business Regulatory Enforcement Fairness Act and a "Notice of Registrant's Duty to Disclose" relating to the disclosure of environmental legal proceedings to the Securities and Exchange Commission.

Re: Raptor Resources, LLC
SDWA-06-2021-1103

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If you have any questions concerning this order, please contact Mr. Matthew Rudolph, of my staff, at 214-665-6434.

Sincerely,



Digitally signed by CHERYL SEAGER
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ou=Environmental Protection Agency,
cn=CHERYL SEAGER,
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Cheryl T. Seager, Director
Enforcement and
Compliance Assurance Division

Attachments

ec: Ms. Jann Hayman, Osage Nation DNR Director
jannhayman@osagenation-nsn.gov

Ms. Robin Phillips, BIA Osage Agency Superintendent
robin.phillips@bia.gov

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
Dallas, Texas 75270

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In the Matter of

Raptor Resources, LLC

Respondent.

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REGIONAL HEARING CLERK
EPA REGION VI

Docket No. SDWA-06-2021-1103

FINAL ADMINISTRATIVE ORDER

STATUTORY AUTHORITY

The following findings are made, and Order issued, under the authority vested in the Administrator of the U.S. Environmental Protection Agency (EPA) by Section 1423(c) of the Safe Drinking Water Act (the Act), 42 U.S.C. § 300h-2(c). The authority to issue this Order has been delegated by the Administrator to the Regional Administrator of EPA Region 6 who further delegated such authority to the Director of the Enforcement and Compliance Assurance Division. The EPA has primary enforcement responsibility for underground injection within the meaning of Section 1422(c) of the Act, 42 U.S.C. § 300h-1(c), to ensure that owners or operators of Class II injection wells within Osage County, Oklahoma, comply with the requirements of the Act.

FINDINGS

1. Raptor Resources, LLC (Respondent) is a company doing business in the State of Oklahoma and, therefore, is a "person," within the meaning of Section 1401(12) of the Act, 42 U.S.C. § 300f(12).
2. At all times relevant to the violations alleged herein, Respondent owned or operated an "injection well" which is a "Class II well" as those terms are defined at 40 C.F.R § 147.2902. The injection well is located in the Southwest Quarter of Section 01, Township 27 North, Range

07 East, Osage County, Oklahoma, designated as Well No. 18W and EPA Inventory Number OS6320000 (the injection well).

3. Respondent is subject to underground injection control (UIC) program requirements set forth at 40 C.F.R. Part 147, Subpart GGG, which are authorized under Section 1421 of the Act, 42 U.S.C. § 300h.

4. Regulations at 40 C.F.R. § 147.2903(a) require that any underground injection is prohibited except as authorized by rule or authorized by a permit issued under the UIC program. The construction or operation of any well required to have a permit is prohibited until the permit has been issued. The term “permit” is defined at 40 C.F.R. § 147.2902.

5. Regulations at 40 C.F.R. § 147.2916 require the owner or operator of a new Class II injection well, or any other Class II well required to have a permit in the Osage Mineral Reserve, to comply with the requirements of 40 C.F.R. §§ 147.2903, 147.2907, and 147.2918 through 147.2928.

6. On May 17, 2019, Raptor Resources, LLC purchased the injection well from Jireh Resources, LLC.

7. On October 17, 2019, EPA issued UIC permit number 06S1261P6320 (the permit) for the injection well.

8. On November 15, 2019, the permit became effective.

9. On April 16, 2021, EPA issued a permit modification with an effective date of January 10, 2020, to the Respondent, thereby transferring the permit to the Respondent.

10. Regulations at 40 C.F.R. § 147.2925(a) require the permittee to comply with all permit conditions, except as authorized by an emergency permit (described in 40 C.F.R. § 147.2906). Noncompliance is grounds for permit modification, permit termination or enforcement action.

11. The permit contains the following permit conditions:

- a. Pursuant to permit condition I.A.2, the well shall be equipped with appropriate fittings so the injection pressure and annulus pressure may be measured by an EPA representative. This condition requires the well to be equipped with a device in such a manner to continuously monitor and record the injection pressure. A copy of the continuous pressure monitoring data shall be submitted to EPA on a monthly basis on the 15th day of the month following any given production month.
- b. Pursuant to permit condition I.B.2, the injection pump is only to be used for the first 20 minutes of injection with the injection pressure not exceeding 50 pounds per square inch in gauge (psig). After the first 20 minutes, the well is to inject on gravity feed without the injection pump.
- c. Pursuant to permit conditions I.C.5 and II.K., all reports and data submitted shall be signed and certified in accordance with 40 C.F.R. § 147.2925(j).
- d. Pursuant to permit conditions I.D. and II.J.1, for quality assurance of sampling and monitoring data, the operator shall conduct all environmental monitoring and sampling under the approved monitoring plan, and by staff trained to use the sampling and monitoring equipment and methods, maintain and calibrate equipment properly, and keep a record of training, maintenance and calibration including the date of such action. The operator shall monitor the injection pressure (psi) continuously using a device installed in accordance to condition I.A.2 of the permit.
- e. Pursuant to permit condition II.J.2, the permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original strip chart recordings of continuous monitoring instrumentation, copies of all reports

required by this permit, and records of all data used to complete the application for the permit, for a period of at least three (3) years from the date of the sample, measurement, report or application.

- f. Pursuant to permit conditions I.D. and II.L.4, the permittee is required to submit on a monthly basis on the 15th day of the month following collection of the data: reports of the quality assurance and equipment calibration performed for the month; and a copy of the month's continuous pressure monitoring chart.

12. On January 16, 2020, the well was inspected by an EPA inspector. The inspector made the following observations:

- a. The pressure line leading to the continuous monitoring chart was located above the cut-off valve which is a violation of permit condition I.A.2.
- b. The cut-off valve was closed, so pressure could not be observed and recorded by the continuous monitoring chart which is a violation of permit condition I.A.2.
- c. The well was actively injecting with the use of the injection pump which was running for more than 20 minutes which is a violation of permit condition I.B.2.

13. On January 22, 2020, the well was inspected by an EPA inspector. The inspector made the following observations:

- a. The pressure line leading to the continuous monitoring chart was located above the cut-off valve which is a violation of permit condition I.A.2.
- b. The cut-off valve was closed, so pressure could not be observed and recorded by the continuous monitoring chart which is a violation of permit condition I.A.2.
- c. The well was actively injecting with the use of the injection pump which was running for more than 20 minutes which is a violation of permit condition I.B.2.

14. On January 30, 2020, the well was inspected by an EPA inspector. The inspector made the following observations:

- a. The pressure line leading to the continuous monitoring chart was located above the cut-off valve which is a violation of permit condition I.A.2.
- b. The cut-off valve was closed, so pressure could not be observed and recorded by the continuous monitoring chart which is a violation of permit condition I.A.2.
- c. The well was actively injecting with the use of the injection pump which was running which is a violation of permit condition I.B.2.

15. On February 12, 2020, the well was inspected by an EPA inspector. The inspector made the following observations:

- a. The pressure line leading to the continuous monitoring chart was located above the cut-off valve which is a violation of permit condition I.A.2.
- b. The cut-off valve was partially open, restricting the pressure to the continuous monitoring chart which is a violation of permit condition I.A.2.

16. During a review of records for the permit conducted by representatives of EPA on February 20, 2020 and April 12, 2021, the following violations were identified:

- a. The monthly continuous pressure monitoring charts for the months of January 2020, February 2020, March 2020, April 2020, July 2020, September 2020, and October 2020 were not certified which is a violation of permit conditions I.C.5 and II.K.
- b. The monthly continuous pressure monitoring charts for the months of May 2020, June 2020, August 2020, and November 2020 through February 2021 were not submitted which is a violation of permit conditions I.D. and II.L.4.

- c. Records of quality assurance and/or calibration of equipment were not submitted for the months of January 2020 through February 2021 which is a violation of permit conditions I.D., II.J.1, and II.L.4.

17. On March 17, 2021, EPA emailed a Notice of Potential Violation and Opportunity to Confer (NOPVOC) to Respondent. The NOPVOC informed Respondent of the potential violations of the Act and the UIC program and that EPA can pursue enforcement actions in response to these violations. The NOPVOC also provided the Respondent an opportunity to confer with the EPA in-regards to this matter. Respondent and EPA had a conversation on March 19, 2021, to discuss the NOPVOC.

18. Therefore, Respondent violated regulations at 40 C.F.R. § 147.2925(a), by failing to comply with the permit.

19. Pursuant to Section 1423(c)(3)(A) of the Act, 42 U.S.C. § 300h-2(c)(3)(A), on June 9, 2021, EPA issued a Proposed Administrative Order to Respondent and provided Respondent an opportunity to request a hearing on the Proposed Administrative Order.

20. On June 10, 2021, EPA provided public notice of its proposal to issue an order for compliance in this matter in accordance with Section 1423(c)(3)(B) of the Act, 42 U.S.C. § 300h-2(c)(3)(B).

21. Respondent did not request a hearing and EPA did not receive any public comments on the Proposed Administrative Order.

SECTION 1423(c) COMPLIANCE ORDER

22. Based on the foregoing findings, and pursuant to the authority of Section 1423(c) of the Act, 42 U.S.C. § 300h-2(c), EPA Region 6 hereby orders the Respondent to perform the following within thirty (30) days of the effective date of this Final Order:

- a. Install the pressure line to continuous monitoring device below the cut-off valve. The pressure line should be installed without any valves or blockages so injection pressure will be continuously monitored and recorded at all times (24 hours/7 days a week).
- b. Inject on gravity feed only. The injection pumps or any other pumps shall only be used for the initial injection startup and can only run for 20 minutes thereafter. Once the initial 20 minutes are over the injection pumps must be turned off.
- c. Limit the injection pressure to under 50 psig for the first 20 minutes of injection. Limit the injection pressure to 0 psig once the first 20 minutes of injection start up is over.
- d. Resubmit the continuous pressure monitoring charts for January 2020, February 2020, March 2020, April 2020, July 2020, September 2020, and October 2020 with the certifications pursuant to 40 C.F.R. § 147.2925(j).
- e. Submit the monthly continuous pressure monitoring charts with the certification pursuant to 40 C.F.R. § 147.2925(j) for the months of May 2020, June 2020, August 2020, and November 2020 through February 2021.
- f. Perform quality assurance and calibration on equipment and submit certified records of this quality assurance and calibration with the certification pursuant to 40 C.F.R. § 147.2925(j) for the months of January 2020 through February 2021.
- g. Submit written certification that the aforementioned sub-paragraphs: a, b, and c have been complied with.

23. Submit the required information to the EPA at rudolph.matthew@epa.gov within thirty (30) days of the effective date of this Final Administrative Order.

GENERAL PROVISIONS

24. Respondent may appeal this Final Administrative Order to Federal District Court pursuant to Section 1423(c)(6) of the Act, 42 U.S.C. § 300h-2(c)(6).

25. This Final Administrative Order does not constitute a waiver, suspension, or modification of the requirements of 40 C.F.R. Parts 144, 146, and 147, Subpart GGG, which remain in full force and effect.

26. Issuance of this Final Administrative Order is not an election by EPA to forego any civil or criminal action otherwise authorized under the Act.

27. Violation of the terms of this Final Administrative Order after its effective date or date of final judgment as described in Section 1423(c)(6) of the Act, 42 U.S.C. § 300h-2(c)(6), may subject Respondent to further enforcement action, including a civil action for enforcement of this Final Administrative Order under Section 1423(b) of the Act, 42 U.S.C. § 300h-2(b), and civil and criminal penalties for violations of the compliance terms of this Final Administrative Order under Section 1423(b)(1) and (2) of the Act, 42 U.S.C. § 300h-2(b)(1) and (2).

TAX IDENTIFICATION

28. 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. § 1.162-21(b)(2), performance of Paragraphs 22 and 23 is restitution, remediation, or required to come into compliance with the law.

EFFECTIVE DATE

29. This Final Order becomes effective thirty (30) days after issuance unless an appeal is taken pursuant to Section 1423(c)(6) of the Act, 42 U.S.C. § 300h-2(c)(6).

August 26, 2021

Date



Digitally signed by CHERYL SEAGER
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Cheryl T. Seager, Director
Enforcement and
Compliance Assurance Division

CERTIFICATE OF SERVICE

I certify that the foregoing Final Administrative Order was sent to the following persons, in the manner specified, on the date below:

Signed Original E-mailed: Regional Hearing Clerk (R6ORC)
U.S. EPA, Region 6
1201 Elm Street, Suite 500
Dallas, TX 75270
vaughn.lorena@epa.gov

File Stamped Copy
Transmitted via Email:

Mr. Jake Sell
Raptor Resources, LLC
63555 North Indigo Trail
Owasso, OK 74055
jasell12@yahoo.com

Electronic Copy:

Ellen Chang-Vaughan
U.S. EPA, Region 6
1201 Elm Street, Suite 500
Dallas, TX 75270
chang-vaughan.ellen@epa.gov

Ms. Robin Phillips, Superintendent
Bureau of Indian Affairs
Osage Agency
P.O. Box 1539
Pawhuska, OK 74056
robin.phillips@bia.gov

Ms. Jann Hayman, Director
Osage Nation Department of Natural Resources
100 W. Main, Suite 304
Pawhuska, OK 74056
jannhayman@osagenation-nsn.gov

Dated: 8/26/2021 _____ Matthew Rudolph _____