



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

April 29, 2022

**TRANSMITTAL VIA EMAIL:**

[Stuart.Wittenbach@coterra.com](mailto:Stuart.Wittenbach@coterra.com)

Mr. Stuart Wittenbach  
Director of ESH  
Coterra Energy Inc.  
202 S. Cheyenne Ave., Suite 1000  
Tulsa, OK 74103

Re: Expedited Settlement Agreement (ESA) for Risk Management Plan Inspection Findings and Proposed Penalty: *In the Matter of the Elmore City Gas Plant previously owned and operated by Cimarex Energy Co.*  
Docket No. **CAA 06-2022-3335**

Dear Mr. Wittenbach:

The United States Environmental Protection Agency (EPA) has authority under Section 113 of the Clean Air Act (the CAA or the Act) to pursue civil penalties for violations of the Section 112(r) Risk Management Program (RMP) regulations found at 40 C.F.R. Part 68. Enclosed is an ESA that addresses RMP violations discovered at the Elmore City Gas Plant previously owned and operated by Cimarex Energy Co., which has merged with Cabot Oil & Gas Corp. into Coterra Energy Inc. (Respondent), as documented in the enclosed RMP Inspection Findings.

The ESA complies with the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Order, and the Revocation, Termination or Suspension of Permits: Final Rule, 40 C.F.R. Part 22 (2002).

The ESA contains a discounted, non-negotiable penalty amount of \$3,200, which is lower than the amount that would be derived from the EPA's Combined Enforcement Policy for Section 112(r) of the Act. You may resolve the cited violations by mailing a check for the penalty, certifying the violation(s) have been corrected, and returning the signed original ESA within 30 days of your receipt of this letter.

EPA, at its discretion, may grant one 30-day extension for cause upon request. If you do not pay the penalty and return the ESA within 30 days of receipt, the ESA will be automatically withdrawn, without prejudice to EPA's ability to file an enforcement action for the cited violations which can result in penalties up to \$51,796 per day per violation. EPA will treat any response to the ESA, other than acceptance of the settlement offer, as an indication that the recipient is not interested in pursuing this expedited settlement procedure.

Upon execution of the document, EPA will take no further civil penalty action against you for the violations cited in the ESA. You are required in the ESA to certify that you have corrected the violation(s), provided a brief description of complying action(s), and paid the penalty. The payment for

the penalty amount must be in the form of a certified check payable to the "Treasurer, United States of America", with the Docket Number of the ESA on the check. The Docket Number is located at the top of the ESA.

Payment of the penalty amount shall be sent via certified mail to:

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

or by alternate payment method described at <http://www.epa.gov/financial/makepayment>.

**The signed original ESA with a copy of the certified check shall be sent by email to [flores.carlos@epa.gov](mailto:flores.carlos@epa.gov).**

When signing the ESA, please indicate, in the appropriate space, the cost of all actions taken to correct the alleged violations.

By terms of the ESA, and upon EPA's receipt of the signed ESA, you waive your opportunity for a hearing pursuant to Section 113 of the Act.

The EPA acknowledges that the COVID-19 pandemic may impact your business. If that is the case, please contact us regarding any specific issues you need to discuss.

Should you have any questions relating to this ESA, please contact Carlos Flores at (214) 665-7113 or [flores.carlos@epa.gov](mailto:flores.carlos@epa.gov).

Sincerely,

STEVEN  
THOMPSON

Digitally signed by STEVEN  
THOMPSON  
Date: 2022.04.29 09:54:35  
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Steve Thompson  
Chief  
Air Enforcement Branch

Enclosure



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

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EXPEDITED SETTLEMENT AGREEMENT (ESA) REGIONAL HEARING CLERK  
EPA REGION VI

Docket No: CAA 06-2022-3335

This ESA is issued to: **Elmore City Gas Plant** previously owned and operated by **Cimarex Energy Co.**  
At: **30191 North County Road 3120, Elmore City, OK 73433**  
For: **Violating Section 112(r)(7) of the Clean Air Act**

The United States Environmental Protection Agency (EPA), through its delegated official, the Director of the Enforcement and Compliance Assurance Division, and the Cimarex Energy Co. (Respondent) have agreed to a settlement of this action before filing a complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. Part 22.

This ESA is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act (CAA or the Act), 42 U.S.C. § 7413(d). Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), the Administrator and the Attorney General jointly determined that cases which meet the criteria set forth in the EPA's Policies<sup>1</sup> are appropriate for administrative penalty action.

**ALLEGED VIOLATIONS**

On August 28-29, 2019, an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility located in Elmore City, Oklahoma to determine compliance with the Risk Management Program (RMP) regulations promulgated at 40 C.F.R. Part 68 under Section 112(r) of the CAA, 42 U.S.C. § 7412(r). The EPA found that Respondent had violated the RMP regulations and Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), as follows:

(1) 40 C.F.R. § 68.79(a) Compliance Audits. - "(a) The owner or operator shall certify that they have evaluated compliance with the provisions of this subpart at least every three years to verify that procedures and practices developed under this subpart are adequate and are being followed." The compliance audit was due in November of 2017 and was not completed until April of 2018.

(2) 40 C.F.R. § 68.190(b)(1) Updates. - "(b) The owner or operator of a stationary source shall revise and update the RMP submitted under § 68.150 as follows: (1) At least once every five years from the date of its initial submission or most recent update required by paragraphs (b)(2) through (b)(7) of this section, whichever is later. For purposes of determining the date of initial submissions, RMPs submitted before June 21, 1999, are considered to have been submitted on that date." The RMP update was due June 16, 2019, and was not submitted until August 23, 2019.

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<sup>1</sup> "Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Restrictions on the Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Provisions" (2013)

**SETTLEMENT**

In consideration of the factors set forth in Section 113(e) of the Act, 42 U.S.C. § 7413(e), the criteria set forth in EPA's policies', and upon consideration of the entire record, EPA and Respondent enter into this ESA in order to settle the violations, described above, for the total penalty amount of **\$3,200.00**.

This settlement is subject to the following terms and conditions:

Respondent, by signing below, waives any objections that it may have regarding jurisdiction, neither admits nor denies the specific factual allegations contained herein, and consents to the assessment of the penalty as stated above. Respondent waives its rights to a hearing afforded by Section 113(d)(2)(A) of the Act, 42 U.S.C. § 7413(d)(2)(A), and to appeal this ESA. Each party to this action shall bear its own costs and fees, if any. Respondent also certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that Respondent has corrected the violations listed above and has paid the full penalty of **\$3,200.00** by certified or cashier's check made payable to the "United States Treasury" and sent to:

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

or by alternate payment method described at <http://www.epa.gov/financial/makepayment>.

The Docket Number of this ESA is **CAA 06-2022-3335** and must be included on the payment. **The signed ESA and a copy of payment must be sent by email to: [flores.carlos@epa.gov](mailto:flores.carlos@epa.gov).**

Full payment of the ESA penalty shall only resolve Respondent's civil monetary liability for the violations alleged above. The EPA does not waive any other enforcement action by EPA for any other past, present, or future violations under the CAA or any other statute.

If the signed ESA with a copy of the payment is not returned to EPA Region 6 at the above email address in correct form by Respondent within 30 days of the date of receipt of this ESA, the proposed ESA is withdrawn, without prejudice to EPA's ability to file additional enforcement actions for the violations identified in this ESA.

This ESA is binding on the EPA and Respondent and is effective upon filing with the Regional Hearing Clerk.

The EPA and Respondent agree to the use of electronic signatures for this matter. The EPA and Respondent further agree to electronic service of this ESA, pursuant to 40 C.F.R. § 22.6, by email to the following addresses:

To EPA: [flores.carlos@epa.gov](mailto:flores.carlos@epa.gov)

To Respondent: [Stuart.Wittenbach@coterra.com](mailto:Stuart.Wittenbach@coterra.com)

**SIGNATURE BY RESPONDENT:**

Signature:  Date: May 8, 2022

Name (print): Stuart A. Wittenbach

Title (print): Dir. of ESH

Cost of Corrective Actions: Approx \$100K

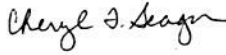
Respondent's Brief Description of Complying Action:

Cimarex Energy has completed the required compliance audits, updates and upgrades to the Elmore City RMP. Detailed documents were submitted to EPA Region VI office for closure. As previously noted, Elmore City RMP compliance is the responsibility of Mads Resources.

If you need additional space or would like to provide additional supporting documentation, please attach to this document.

*In the matter of Cimarex Energy Co. / Elmore City Gas Plant  
Docket No. CAA 06-2022-3335*

**SIGNATURE BY EPA:**



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SEAGER  
Date: 2022.05.12 16:37:44 -05'00'

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

It is so ORDERED. This Order shall become effective upon filing of the fully executed ESA 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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Date: 2022.05.16 10:24:39 -04'00'

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Thomas Rucki  
Regional Judicial Officer

**CERTIFICATE OF SERVICE**

I hereby certify, on the date identified below, a true and correct electronic copy of the foregoing Expedited Settlement Agreement was electronically delivered to the Regional Hearing Clerk, U.S. EPA Region 6 (ORC), 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 addressees:

Copy via email to EPA: [flores.carlos@epa.gov](mailto:flores.carlos@epa.gov)

Copy via email to Respondent: [Stuart.Wittenbach@coterra.com](mailto:Stuart.Wittenbach@coterra.com)

Mr. Stuart Wittenbach  
Director of ESH  
Coterra Energy Inc.  
202 S. Cheyenne Ave., Suite 1000  
Tulsa, OK 74103

Copy via email to Regional Hearing Clerk: [vaughn.loreana@epa.gov](mailto:vaughn.loreana@epa.gov)

*Carlos Flores*

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United States Environmental Protection Agency  
Region 6