



REGION 8

DENVER, CO 80202

April 9, 2024

FILED

4/9/2024

3:20 PM

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

Mr. Matthew Bauerschlag
Executive Vice President and Chief Operating Officer
Kraken Operating, LLC
9821 Katy FWY, Suite 460
Houston, TX 77024-1267

and

CT Corporation System
Registered Agent for Kraken Operating, LLC
120 West Sweet Ave.
Bismarck, ND 58504

Re: Notice of Violation to Kraken Operating, LLC CAA-08-2024-0004

Dear Mr. Bauerschlag:

The U.S. Environmental Protection Agency is issuing Kraken Operating, LLC 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 alleges that Kraken has violated or is violating at an oil and gas production facility in the State of Montana:

1. The Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015, 40 C.F.R. Part 60, Subpart OOOOa (NSPS OOOOa) for oil and natural gas production facilities; and
2. a Clean Air Act of Montana, Montana Code, Title 17, Chapter 8, Subchapter 17 for the oil and gas industry for facilities within the State of Montana

Section 113(a)(3) of the Clean Air Act provides that whenever, based on information available to the Administrator of the EPA, the Administrator finds that any person has violated, or is in violation of an applicable implementation plan or requirement of the Act, the Administrator may issue an administrative compliance order, issue an administrative penalty order, or bring a civil judicial action. 42 U.S.C. § 7414(a)(3). This NOV also serves as notice to the State of Montana under Section 113(a)(1). 42 U.S.C. § 7414(a)(1).

Re: *Notice of Violation to Kraken Operating, LLC*

To reach a timely conclusion of this matter, the EPA would like to hold an initial meeting within 45 calendar days of your receipt of this letter. This meeting will provide an opportunity to present information on the specific alleged violations and any efforts that Kraken has taken to comply or prevent future noncompliance. To schedule this meeting, please have your counsel call or email Ms. Lauren Hammond, Senior Assistant Regional Counsel for EPA Region 8, at (303) 312-7081 or Hammond.lauren@epa.gov within 15 calendar days following receipt of this NOV.

Sincerely,

Suzanne J. Bohan, Director
Enforcement and Compliance Assurance Division

Enclosure

cc (w/Encl.): Bo Wilkins, MTDEQ Air Quality Bureau Chief