

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 8

2011 SEP -9 AM 9:47

IN THE MATTER OF: )  
 )  
Nova Energy, Inc. )  
401 E. 1<sup>st</sup> Street )  
Casper, WY 82601-2558, )  
 )  
Respondent. )

Docket No. CWA-08-2010-0024

FILED  
EPA REGION VIII  
READING ROOM

**COMPLAINANT'S SECOND  
SETTLEMENT REPORT**

The United States Environmental Protection Agency, Region 8 (EPA), by and through its undersigned counsel, hereby provides the following Complainant's Second Settlement Report updating the Honorable Elyana R. Sutin, Regional Judicial Officer, on the status of the parties' voluntary settlement efforts in the above-referenced matter. Respondent Nova Energy Inc. reviewed and offers no objection to Complainant's Second Settlement Report.

1. EPA filed an Administrative Complaint and Opportunity to Request a Hearing against Nova Energy Inc. on August 31, 2010, under sections 309(g) and 311b(6)(B)(ii) of the Clean Water Act for alleged violations of the oil pollution prevention regulations set forth at 40 C.F.R. Part 112 at its Wood B-1 facility located in Crook County, Wyoming. The Complaint proposed a civil administrative penalty.

2. The parties reached a settlement in principal to resolve the violations alleged in the Complaint on July 18, 2011.

3. As a precursor to settlement, Nova hired a firm to prepare a Spill Prevention, Control and Countermeasure (SPCC) plan for the facility and the Davis Federal 24-33 and DL Cook Fed. 1-35 production facilities also owned and/or operated by the Respondent. The parties are waiting for review and final approval of the SPCC plan prior to submitting the fully-executed Consent Agreement with the Regional Judicial Officer.

4. The Respondent asked its contractor for a status update concerning development of the SPCC plan on August 12, 2011. EPA is uncertain of whether the contractor responded.

5. EPA also requested prior to filing the Consent Agreement that Respondent properly remove and dispose of oil-contaminated soils at the facility. EPA has not received notice whether this action has been performed.

6. The parties request until October 14, 2011, to finalize the SPCC plan and file a Consent Agreement with the Regional Judicial Officer fully resolving this matter. In the event that the SPCC plan has not been finalized or the contaminated soils removed, the parties commit to filing a Consent Agreement by this date that includes these items as compliance requirements to be performed by a specified date.

Respectfully submitted this 9<sup>th</sup> day of September, 2011.

**UNITED STATES ENVIRONMENTAL  
PROTECTION AGENCY, REGION 8,  
Complainant.**



Amy Swanson, Enforcement Attorney  
U.S. EPA, Region 8  
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## CERTIFICATE OF SERVICE

The undersigned hereby certifies that the original and one copy of the COMPLAINANT'S SECOND SETTLEMENT REPORT was hand-carried to the Regional Hearing Clerk, EPA Region 8, 1595 Wynkoop Street, Denver, Colorado, and that a true copy of the same was sent in the following manner to the addresses listed below:

Via hand-delivery to:

The Honorable Elyana R. Sutin, Regional Judicial Officer  
U.S. Environmental Protection Agency, Region 8 (8RC)  
1595 Wynkoop Street  
Denver, CO 80202-1129

Via regular mail and electronically to:

John Scherlin  
Nova Energy Inc.  
400 E. 1<sup>st</sup> Street, Suite 301  
Casper, WY, 82601  
scherlin@bresnan.net

Date: 9.9.2011

By: 