



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 RENNER BOULEVARD, LENEXA, KANSAS 66219

FILED

November 24, 2025

6:32AM

U.S. EPA REGION 7
HEARING CLERK

EXPEDITED SPILL PREVENTION CONTROL AND COUNTERMEASURE
SETTLEMENT AGREEMENT

In the matter of Greenwood Resources, LLC
Docket No. CWA-07-2025-0198

On February 14, 2024, an authorized representative of the United States Environmental Protection Agency ("EPA") conducted an inspection of Greenwood Resources, LLC's ("Respondent") facility known as McGilvray Lease at 10387 Northeast State Road 6 in Pratt, Kansas to determine compliance with the Oil Pollution Prevention regulations promulgated at 40 C.F.R. Part 112 under Section 311(j) of the Clean Water Act, as amended, (33 U.S.C. § 1321(j)), (the "Act" or "CWA"). EPA determined that Respondent, as owner or operator of the facility, violated regulations implementing Section 311(j) of the Act by failing to comply with the Oil Pollution Prevention regulations as noted on the attached Spill Prevention Control and Countermeasure Plan ("SPCC") Inspection Findings, Alleged Violations, and Proposed Penalty Form ("Violations Form") which is hereby incorporated by reference. By its signature below, EPA ratifies the inspection findings and alleged violations set forth in the Violations Form.

The parties enter into this Expedited Settlement Agreement ("ESA") in order to settle the civil violations described in the Violations Form for a penalty of \$3,000. The parties are authorized to enter into this Expedited Settlement under the authority of Section 311(b) (6) (B) (i) of the Act, 33 U.S.C. § 1321(b) (6) (B) (i), and by 40 C.F.R. § 22.13(b) and § 22.18(b)(2)-(3).

This settlement is subject to the following terms and conditions:

EPA finds the Respondent is subject to the Oil Pollution Prevention regulations and has violated the regulations as further described in the Violations Form. Respondent admits it is subject to the Oil Pollution Prevention regulations and that EPA has jurisdiction over Respondent and Respondent's conduct as described in the Violations Form. Respondent admits to the facts in the first paragraph of this Settlement Agreement and waives any objections it may have to EPA's jurisdiction. Respondent consents to the assessment of the penalty stated above. Respondent does not contest the inspection findings and neither admits nor denies the allegations in the Form.

Respondent further certifies, subject to civil and criminal penalties for making a false submission to the United

States Government, that the violations identified in the Violations Form have been corrected and the facility is now in full compliance with the Oil Pollution Prevention regulations.

Respondent certifies that, within thirty (30) days after the effective date of the Final Order, Respondent will submit electronic payment via: www.pay.gov or submit a bank, cashiers, or certified check, with case name and docket number noted, for the amount specified above, payable to the "Treasurer, United States of America," via certified mail, to:

U.S. Environmental Protection Agency
In the Matter of: Greenwood Resources, LLC
Docket No.: CWA-07-2025-0198
P.O. Box 979078
St. Louis, MO 63197-9000

The payment made pursuant to this ESA is a penalty within the meaning of Section 162(f) of the Internal Revenue Code, 26 U.S.C. § 162(f), and, therefore, Respondent shall not claim it as a tax deductible expenditure for purposes of federal, state or local law.

Respondent waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this Expedited Settlement Agreement and Final Order and its right to appeal this Expedited Settlement Agreement and Final Order. By signing this Expedited Settlement, Respondent waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of this Expedited Settlement Agreement. Moreover, in entering into this ESA, the Respondent agrees to bear its own costs and attorney's fees related to this ESA.

Failure by Respondent to pay the penalty assessed by this ESA in full by its due date may subject Respondent to civil action to collect the assessed penalty plus interest, attorney's fees, costs and additional quarterly nonpayment penalty pursuant to CWA § 311(b)(6)(H), 33 U.S.C. § 1321(b)(6)(H). In any such collection action, the validity, amount, and appropriateness of the penalty shall not be subject to review.

This Expedited Settlement is binding on the parties signing below and is effective upon filing with the Regional Hearing Clerk pursuant to 40 C.F.R. § 22.31(b). Each person signing this ESA certifies that he or she has the authority to sign for the party who he or she represents and to bind that party to its terms. The

parties consent to service of this Expedited Settlement Agreement and Final Order by e-mail at the following valid e-mail addresses: moreno.sarah@epa.gov (for Complainant) and the e-mail noted below for Respondent.

Once the Expedited Settlement is signed by the Regional Judicial Officer, the original Expedited Settlement will be filed with the Regional Hearing Clerk. A copy of the Expedited Settlement will also be emailed to the Respondent.

If Respondent does not sign and return this Expedited Settlement as presented within 30 days of the date of its receipt, or within an extension timeframe approved by the EPA, the proposed Expedited Settlement is withdrawn without prejudice to EPA's ability to file any other enforcement action for the violations identified in the Violations Form.

After this Expedited Settlement becomes effective, EPA will take no further civil penalty action against Respondent for the alleged violations of the Oil Pollution Prevention regulations described in the Violations Form through the order date of this Expedited Agreement. However, EPA does not waive any rights to take any enforcement action for any other past, present, or future violations by Respondent of the Oil Pollution Prevention regulations or of any other federal statute or regulations.

APPROVED BY RESPONDENT:

Name (print): Kenneth C. Gates

Title (print): Manager - Co-Member

Email: Kenny.gates123463@gmail.com

Signature: Kenneth C. Gates Date: 11/18/2025

APPROVED BY EPA:

Delegated Official _____ Date: _____

IT IS SO ORDERED:

Regional Judicial Officer

Effective Date: See Notice of Filing for Effective Date