



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

MAY 08 2008

Ref: 8ENF-UFO

CERTIFIED MAIL 7005-0390-0000-4848-5498
RETURN RECEIPT REQUESTED

Jerry L. Calley, Registered Agent
P&M Petroleum Management LLC
518 17th Street, Suite 230
Denver, Colorado 80202

Re: UNDERGROUND INJECTION
CONTROL PROGRAM (UIC)
Penalty Complaint and Notice of
Opportunity for Hearing

Dear Mr. Calley:

The enclosed document is a Penalty Complaint and Notice of Opportunity for Hearing ("complaint") for violations of the Safe Drinking Water Act ("SDWA"). Please carefully read the complaint soon, since it describes P&M Petroleum Management LLC's ("P&M's") rights and responsibilities in this matter as well as EPA's authority, the factual basis of the violations, and the background for the proposed penalties. EPA is enclosing a copy of the Rules of Practice that govern these proceedings, an information sheet about the Small Business Regulatory Enforcement Fairness Act, and a required Public Notice associated with this complaint.

P&M is required to take action within thirty (30) calendar days of your receipt of this complaint to avoid the possibility of having a default judgment entered against P&M that could impose the penalty amount proposed in the complaint.

Whether or not P&M requests a hearing, we encourage an informal conference with EPA concerning the alleged violations in an effort to negotiate a settlement. P&M may wish to appear at an informal conference and/or be represented by legal counsel. To arrange for such a conference, P&M should contact Jim Eppers, Enforcement Attorney, Legal Enforcement Program, at the number provided below. Request for such a conference does not extend the thirty (30) calendar day period during which a request for hearing must be submitted. Public Notice of EPA's complaint and the opportunity to provide written comments on the complaint is being provided pursuant to section 1423 (c)(3)(B) of the SDWA, 42 U.S.C. § 300h-2(c)(3)(B). Should a hearing be held, any person who comments on the complaint has a right to participate in the hearing.

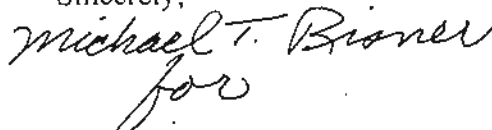
If P & M has technical questions relating to this matter, the person most knowledgeable on my staff is Nathan Wiser, UIC Enforcement Team, Technical Enforcement Program, at 1-800-227-8917 ext. 6211 or (303) 312-6211. For all legal questions, the person most knowledgeable on my staff is Jim Eppers at 1-800-227-8917 ext. 6893 or (303) 312-6893. Mr. Wiser and Mr. Eppers can also be reached at the following addresses:

Nathan Wiser (Mail Code 8ENF-UFO)
Environmental Scientist
U.S. EPA, Region 8
1595 Wynkoop Street
Denver, Colorado 80202, or

Jim Eppers (Mail Code 8ENF-L)
Enforcement Attorney
U.S. EPA, Region 8
1595 Wynkoop Street
Denver, Colorado 80202.

We urge P & M's prompt attention to this matter.

Sincerely,



Andrew M. Gaydosh
Assistant Regional Administrator
Office of Enforcement, Compliance
and Environmental Justice

Enclosures:

Complaint with Notice of Opportunity for Hearing
Public Notice
Small Business Regulatory Enforcement Fairness Act fact sheet
40 CFR Part 22 Rules of Practice

cc: (with all enclosures)

Curtis Cesspooch, Chairman
Uintah & Ouray Business Committee
P.O. Box 190
Fort Duchesne, Utah 84026

Shaun Chapoose, Land Use Department Director (with all enclosures)
Ute Indian Tribe
P.O. Box 460
Fort Duchesne, Utah 84026

Gil Hunt
Utah Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114

1 UNITED STATES
2 ENVIRONMENTAL PROTECTION AGENCY
3 REGION 8
4 Docket No. SDWA-08-2008-0047

2008 MAY -8 AM 10: 05

5
6 In the Matter of:)
7)
8 P&M Petroleum Management LLC)
9 a Colorado limited liability company,)
10 Respondent.)
11)
12 Proceedings under Section 1423(c))
13 of the Safe Drinking Water Act)
14 42 U.S.C. 300h-2(c))

**PENALTY COMPLAINT AND NOTICE
OF OPPORTUNITY FOR HEARING
(COMPLAINT)**

15
16 INTRODUCTION

- 17
18 1. This civil administrative enforcement action is authorized by Congress in section
19 1423(c) of the Public Health Service Act, also known as the Safe Drinking Water
20 Act (SDWA or the Act). 42 U.S.C. § 300h-2(c). The Environmental Protection
21 Agency (EPA) regulations authorized by the statute are set out in parts 144-148 of
22 title 40 of the Code of Federal Regulations (40 C.F.R.), and violations of the
23 statute, permits or EPA regulations constitute violations of the Act. The rules for
24 this proceeding are the "Consolidated Rules of Practice Governing the
25 Administrative Assessment of Civil Penalties, Issuance of Compliance or
26 Corrective Action Orders and the Revocation, Termination or Suspension of
27 Permits" (Rules of Practice), 40 C.F.R. part 22, a copy of which is enclosed.
28
29 2. The undersigned EPA official has been properly delegated the authority to issue
30 this action.
31
32 3. EPA alleges that P&M Petroleum Management LLC (hereinafter referred to as
33 Respondent) has violated the regulations and therefore the Act and proposes the
34 assessment of a civil penalty, as more fully explained below.
35

36 NOTICE OF OPPORTUNITY FOR A HEARING

- 37
38 4. Respondent has the right to a public hearing before a presiding officer within the
39 Agency to (1) disagree with any fact alleged by EPA in the complaint, (2) state
40 the grounds for any legal defense, or (3) disagree with the appropriateness of the
41 proposed penalty.
42
43 5. To disagree with the complaint and assert its right to a hearing, Respondent must
44 file a written answer (and one copy) with the Region 8 Hearing Clerk at the
45 following address:
46

1
2 Region 8 Hearing Clerk
3 1595 Wynkoop Street (Mail code 8RC)
4 Denver, Colorado 80202

5 within 30 calendar days of receiving this complaint. The answer must clearly
6 admit, deny or explain the factual allegations of the complaint, the grounds for
7 any defense, the facts in dispute, and a specific request for a public hearing.
8 Please see section 22.15(b) of the Rules of Practice for a complete description of
9 what must be in the answer. **FAILURE TO FILE AN ANSWER AND
10 REQUEST FOR HEARING WITHIN 30 CALENDAR DAYS MAY WAIVE
11 RESPONDENT'S RIGHT TO DISAGREE WITH THE ALLEGATIONS
12 OR PROPOSED PENALTY, AND RESULT IN A DEFAULT JUDGMENT
13 AND ASSESSMENT OF THE PENALTY PROPOSED IN THE
14 COMPLAINT, OR UP TO THE MAXIMUM AUTHORIZED BY THE
15 ACT.**

16 17 QUICK RESOLUTION

- 18
19 6. Respondent may resolve this proceeding at any time by paying the penalty
20 amount proposed in the complaint. Such action to make payment need not
21 contain any response to, or admission of, the allegations in the complaint. Such
22 action to make payment constitutes a waiver of Respondent's right to contest the
23 allegations and to appeal the final order. See section 22.18 of the Rules of
24 Practice for a full explanation of the quick resolution process.

25 26 SETTLEMENT NEGOTIATIONS

- 27
28 7. EPA encourages discussing whether cases can be settled through informal
29 settlement conferences. If Respondent wants to pursue the possibility of settling
30 this matter, or have any other questions, contact the attorney listed at the end of
31 this complaint. **Please note that calling the attorney or requesting a
32 settlement conference does NOT delay the running of the 30 day period for
33 filing an answer and requesting a hearing referenced in paragraph 5.**

34 35 GENERAL ALLEGATIONS

36
37 The following general allegations apply to all times relevant to this action, and to
38 each count of this complaint:

- 39
40 8. Pursuant to section 1422 of the Act, 42 U.S.C. § 300h-1, and 40 C.F.R. part 147
41 subpart TT, section 147.2253, EPA administers the Underground Injection
42 Control (UIC) program for Class II wells on the Uintah & Ouray Indian
43 Reservation within the State of Utah. The effective date of the program is
44 November 25, 1988. The program requirements are located at 40 C.F.R. parts
45 124, 144, 146, 147, and 148.

- 1 9. The wells subject to this action are Class II enhanced recovery injection wells.
 2 The purpose of the enhanced recovery is to increase oil production at offset wells
 3 completed in the same geologic formation, achieved by increasing pore pressure
 4 within the formation through injection of liquid, a practice commonly known as a
 5 water flood operation. The wells are located in Uintah County, Utah, within the
 6 exterior boundaries of the Uintah and Ouray Indian Reservation. The specific
 7 wells and their locations are:
 8

Well Name	EPA Permit No.	Location
Federal #42-6X	UT20653-03751	T8S, R25E, Section 6, SE/4, NE/4
East Red Wash #4-6	UT20653-04224	T8S, R25E, Section 6, SW/4, SE/4
Amerada Guinand Fed. #1-8-25	UT20653-04225	T8S, R25E, Section 7, SW/4, NW/4

- 9
 10 10. All three of these wells were originally permitted by EPA to Equitable Resources
 11 Energy Company, Balcron Oil Division, with an effective date of February 18,
 12 1994. The area permit was transferred by EPA to Inland Resources Inc. on
 13 October 15, 1997. Effective July 1, 2004, Respondent became the successor
 14 operator of these wells. On December 1, 2006, the area permit was transferred to
 15 Respondent by EPA.
 16
 17 11. Respondent is a limited liability company in good standing and incorporated
 18 under the laws of the State of Colorado. Respondent's principal office address is
 19 518 17th Street, Suite 230, Denver, Colorado 80202-4103, with telephone number
 20 (303) 260-7129.
 21
 22 12. Respondent is a "person" within the meaning of section 1401(12) of the Act,
 23 42 U.S.C. § 300f(12) and 40 C.F.R. § 144.3.
 24
 25 13. Pursuant to 40 C.F.R. §§ 144.3 and 146.3, "Director," as used in 40 C.F.R. parts
 26 124, 144 and 146 and as applied in this matter, means the Regional Administrator
 27 of EPA Region 8 or his authorized representative.
 28
 29 14. Subpart E of 40 C.F.R. part 144 includes additional conditions applicable to all
 30 UIC permits. Respondent was issued an area permit for the subject wells and is
 31 the permittee. The permittee is responsible for meeting all permit conditions.
 32 Any permit noncompliance constitutes a violation of the Act. 40 C.F.R. §
 33 144.51(a).
 34
 35 15. The wells which are the subject of this complaint penetrate underground sources
 36 of drinking water (USDWs) including, but not limited to, groundwater in the
 37 Uinta Formation from surface to approximately 1730 feet below surface and in
 38 the Green River Formation as deep as approximately 4500 feet below surface.
 39

- 1 16. The regulations at 40 C.F.R. §146.23(c) and part II(D) of the UIC permits
2 referenced in paragraph 9 require Respondent to annually submit a monitoring
3 report for the wells described in paragraph 9 by February 15 of the year following
4 the reporting period. The annual monitoring report must contain monthly values
5 of injection pressure, annulus pressure, and flow rate, all from observations made
6 at the wellhead. On February 28, 2007, EPA received the 2006 annual monitoring
7 reports for each well. These reports were due by February 15, 2007. Each of the
8 2006 annual monitoring reports indicated no injection occurred at any of the
9 wells, and each report lacked observed injection pressure and annulus pressure.
10 To date, EPA has never received additional 2006 amended reports containing
11 injection and annulus pressures. The 2007 annual monitoring reports were due to
12 EPA by February 15, 2008. To date, EPA has not received these reports. See
13 Attachment A to this complaint where these violations are summarized and
14 labeled with the letter "A."
15
- 16 17. The regulations at 40 C.F.R. §146.23(c) and part II(D) of the UIC permits
17 referenced in paragraph 9 require Respondent to annually submit a fluid analysis
18 report for the wells described in paragraph 9 by February 15 of the year following
19 the reporting period, so long as any well is used for injection during the reporting
20 period. The annual fluid analysis report must contain representative values of pH,
21 total dissolved solids, specific conductivity and specific gravity, from samples
22 collected at the wellhead. For the 2007 reporting year, the fluid analysis
23 monitoring report was due to EPA by February 15, 2008. To date, EPA has not
24 received any fluid analysis reports. During a routine unannounced inspection on
25 June 26, 2007, EPA inspectors and a Respondent representative observed the
26 Federal #42-6X well actively injecting. Since this well was injecting during 2007,
27 a 2007 fluid analysis monitoring report should have been submitted for this well.
28
- 29 18. During the same tour of inspections on June 26, 2007, the East Red Wash #4-6
30 and Amerada Guinand Fed. #1-8-25 wells were not observed to be active. Since
31 Respondent failed to submit the required annual monitoring reports described in
32 paragraph 16, EPA lacks additional evidence as to whether these two wells were
33 used for injection during 2007. If either of these two wells was used for injection
34 during 2007, then the fluid analysis reporting requirement referred to in paragraph
35 17 would also apply to each well used in 2007.
36
- 37 19. See Attachment A to this complaint where the fluid analysis reporting violation
38 described in paragraphs 17 and 18 is summarized and labeled with the letter "B."
39
- 40 20. During a routine unannounced inspection on June 26, 2007, EPA inspectors and a
41 Respondent representative observed the Federal #42-6X well actively injecting.
42 This is evidence that a 2007 fluid analysis monitoring report should have been
43 submitted for this well. Since Respondent failed to submit the required annual
44 monitoring reports for all the wells for the 2007 reporting period, EPA cannot
45 know whether the other two wells named in this complaint should have had a
46 fluid analysis monitoring report submitted as well.

- 1
2 21. On January 7, 2007, the Director sent Respondent a courtesy letter reminding
3 Respondent of the need to submit both the annual monitoring report referenced in
4 paragraph 16 and the annual fluid analysis monitoring report referenced in
5 paragraph 17, due by February 15, 2007.
6
7 22. On January 11, 2008, the Director sent Respondent a courtesy letter reminding
8 Respondent of the need to submit both the annual monitoring report referenced in
9 paragraph 16 and the annual fluid analysis monitoring report referenced in
10 paragraph 17, due by February 15, 2008.
11
12
13 23. A summary list of the violation alleged is included as attachment A and is
14 incorporated into this complaint.
15

16 **COUNT 1**
17

- 18 24. Respondent is in violation of its UIC permit at part II(D), appendix D and 40
19 C.F.R. § 144.51(a) by failing to timely submit the 2007 and 2008 annual
20 monitoring reports to EPA for the three wells described in paragraph 9. The
21 duration of the Respondent's violation is shown in detail in attachment A.
22

23 **COUNT 2**
24

- 25 25. Respondent is in violation of its UIC permit at part II(D), appendix D and 40
26 C.F.R. § 144.51(a) by failing to timely submit a 2008 annual fluid analysis
27 monitoring report to EPA for the Federal #42-6X well. The duration of the
28 Respondent's violation is shown in detail in attachment A.
29

30 **PROPOSED ORDER WITH ADMINISTRATIVE CIVIL PENALTY**
31

- 32 26. The Act, as amended, and 40 C.F.R. part 19, authorize the assessment of a civil
33 penalty of up to \$6,500 for each day of violation up to a maximum penalty of
34 \$157,500. 42 U.S.C. § 300h-2(c)(2). The Act requires EPA to take into account
35 the following factors in assessing a civil penalty: the seriousness of the violations,
36 the economic benefit resulting from the violations, Respondent's prior compliance
37 history of such violations, any good-faith efforts to comply, the economic impact
38 on Respondent, and other factors that justice may require. 42 U.S.C. § 300h-
39 2(c)(4)(B).
40
41 27. In light of the statutory factors and the specific facts of this case, EPA calculates
42 and proposes that **Respondent pay a total penalty of \$6,771 (six thousand**
43 **seven hundred seventy-one dollars)** for the violation alleged above, as explained
44 below:
45
46

1
2 Seriousness of the Violation
3

4 For Counts 1 and 2, the UIC program is heavily reliant upon accurate and
5 representative self-reporting. Since there are so many injection wells in the
6 country, regulators depend on well operators to abide by their self-monitoring and
7 self-reporting requirements. Given the use of the injected wastewater's density in
8 calculating a maximum allowable injection pressure limit, a well may be injecting
9 at a pressure, which although compliant with the injection pressure limit measured
10 at the surface pressure monitoring gauge, may be causing fracturing in the
11 receiving injection zone. It is for this reason that EPA needs to know the specific
12 gravity of the injected wastewater. Fracturing in the injection zone can lead to
13 fluid migrating into a USDW. Furthermore, proper fluid analysis confirms that
14 the wastewater is, in fact, oil field brine, permissible for injection under the
15 regulations and UIC permit conditions. Similarly, EPA is reliant upon accurate
16 reports of an injection well's operational history, including the measured injection
17 and annulus pressure, and rates and total volumes injected. There are, for
18 instance, injection pressure limits in the permit for this well.
19

20 Economic Benefit
21

22 EPA believes Respondent enjoyed an economic benefit by delaying expenditure
23 to make the reports in Counts 1 and 2, and has avoided this cost to date. EPA
24 estimates Respondent has enjoyed an economic benefit for these two counts
25 totaling \$371 (**three hundred seventy-one dollars**), which is included as part of
26 the proposed penalty.
27

28 Prior Compliance History
29

30 In 2005, EPA Region 8 took a prior formal enforcement action against
31 Respondent that included these same types of violations of the UIC program
32 regulations. That case was settled in 2006. EPA made an upward adjustment to
33 the proposed penalty based on this factor.
34

35 Good-Faith Efforts to Comply
36

37 Despite two courtesy reminder letters from EPA, one each year, Respondent
38 failed to fulfill the annual reporting requirements found in the UIC permit in 2007
39 and 2008. A prudent operator should be able to meet these reporting requirements
40 with no courtesy reminders. EPA believes Respondent made no good faith effort
41 to comply. EPA made an upward adjustment to the proposed penalty based on
42 this factor.
43
44
45
46

1 Economic impact on the violator

2
3 EPA did not reduce the proposed penalty due to this factor, but will consider any
4 new information Respondent may present regarding this factor.

5
6 Other Matters that Justice may Require

7
8 EPA made no additional adjustments to the penalty due to this factor.

- 9
10 28. Respondents' payment of the penalty shall be made by money order or certified
11 check made payable to "Treasurer, United States of America" and mailed to the
12 following address:

13
14 **REGULAR MAIL:**

15
16 U.S. Environmental Protection Agency
17 Fines and Penalties
18 Cincinnati Finance Center
19 P.O. Box 979077
20 St. Louis, MO 63197-9000

21
22 **OVERNIGHT MAIL:**

23
24 U.S. Bank
25 1005 Convention Plaza
26 Mail Station SL-MO-C2GL
27 St. Louis, MO 63101

28
29 Contact: Natalie Pearson
30 314-418-4087

31
32 **WIRE TRANSFERS:**

33
34 Wire transfers should be directed to:

35
36 Federal Reserve Bank of New York
37 ABA = 021030004
38 Account = 68010727
39 SWIFT address = FRNYUS33
40 33 Liberty Street
41 New York NY 10045
42 Field Tag 4200 of the Fedwire message should read "D 68010727
43 Environmental Protection Agency"
44
45
46

1 ONLINE PAYMENTS:

2
3 www.pay.gov

4 Enter SFO 1.1 in the "search public forms" field

5 Open form and enter the information

6
7 A copy of said check shall be mailed simultaneously to the following addresses:

8
9 Nathan Wiser (8ENF-UFO)
10 Environmental Scientist
11 U.S. EPA - Region 8
12 1595 Wynkoop Street
13 Denver, Colorado 80202, and

14
15 Tina Artemis
16 Regional Hearing Clerk (8RC)
17 U.S. EPA Region 8
18 1595 Wynkoop
19 Denver, CO 80202-1129.
20

- 21 29. The provisions of this complaint shall apply to and be binding upon Respondent,
22 its officers, directors, agents, servants, employees, and successors or assigns.
23
- 24 30. As required by the Act, prior to the assessment of a civil penalty, EPA will
25 provide public notice of the proposed penalty, and reasonable opportunity for
26 people to comment on the matter, and present evidence in the event a hearing is
27 held. 42 U.S.C. § 300h-2(c)(3)(B).
28
- 29 31. The presiding officer is not bound by the penalty proposed by EPA, and may
30 assess a penalty above the proposed amount, up to \$6,500 for each day of
31 violation, up to a maximum penalty of \$157,500. 42 U.S.C. § 300h-2(c)(2).
32
- 33 32. This complaint does not constitute a waiver, suspension, or modification of the
34 requirements of any applicable provision of the Act or the UIC regulations
35 implementing the Act, which remain in full force and effect. Issuance of this
36 complaint is not an election by the EPA to forego any civil or any criminal action
37 otherwise authorized under the Act.
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33. To discuss settlement or ask any question you may have about this case or process, please contact Jim Eppers, Enforcement Attorney, at the address below

U.S. EPA, Region 8 (8ENF-L)
Office of Enforcement, Compliance and Environmental Justice
1595 Wynkoop Street
Denver, Colorado 80202
(303) 312-6893.

Issued this 7th day of May, 2008.

Michael T. Risner
for Andrew M. Gaydosh
Assistant Regional Administrator
Office of Enforcement, Compliance
and Environmental Justice

Operator	Well Name	EPA ID No.	Type of Violation	Date Violation Began	Date Violation Ended	Violation duration in days
P&M Petroleum	Federal #42-6X-8-25	UT20653-03751	A: Failure to timely submit complete annual pressure/rate monitoring report (2007)	2/15/2007	2/15/2008	365
			A: Failure to timely submit complete annual pressure/rate monitoring report (2008)	2/15/2008	4/30/2008	75
			B: Failure to timely submit fluid analysis monitoring report (2008)	2/15/2008	4/30/2008	75
P&M Petroleum	East Red Wash #4-6-8-25	UT20653-04224	A: Failure to timely submit complete annual pressure/rate monitoring report (2007)	2/15/2007	2/15/2008	365
			A: Failure to timely submit complete annual pressure/rate monitoring report (2008)	2/15/2008	4/30/2008	75
P&M Petroleum	Amerada Guinand Fed #1-8-25	UT20653-04225	A: Failure to timely submit complete annual pressure/rate monitoring report (2007)	2/15/2007	2/15/2008	365
			A: Failure to timely submit complete annual pressure/rate monitoring report (2008)	2/15/2008	4/30/2008	75

CERTIFICATE OF SERVICE
Docket No. SDWA-08-2008-0047

I hereby certify that the original and a true copy of the Penalty Complaint and Notice of Opportunity for Hearing bearing the above-referenced Docket number were 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 via Certified Mail Return Receipt Requested mail to:

Jerry L. Calley, Registered Agent
P&M Petroleum Management LLC
518 17th Street, Suite 230
Denver, Colorado 80202

Dated: May 8, 2008 By: Judith McTernan
Judith McTernan

**U.S. ENVIRONMENTAL PROTECTION AGENCY
PUBLIC NOTICE
OPPORTUNITY FOR PUBLIC COMMENT ON
PENALTY COMPLAINT
AND NOTICE OF OPPORTUNITY FOR HEARING
AGAINST
P&M PETROLEUM MANAGEMENT LLC
FOR FAILURE TO COMPLY WITH
UNDERGROUND INJECTION CONTROL REGULATIONS**

PURPOSE OF PUBLIC NOTICE

The purpose of this notice is to solicit written comments on a Penalty Complaint and Notice of Opportunity for Hearing (complaint) [Docket No. SDWA-08-2008-0047] that Region 8 of the United States Environmental Protection Agency (EPA) proposes to issue against P&M Petroleum Management LLC whose office is located at 518 17th Street, Suite 230, Denver, Colorado 80202. The complaint alleges violations of the Underground Injection Control (UIC) regulations and proposes remedies and monetary penalties for the alleged violations. The complaint is issued under the UIC provisions of the Safe Drinking Water Act (SDWA) and the Act's implementing regulations. These regulations govern the injection of fluids that may endanger an underground source of drinking water (USDW).

The EPA desires to receive written comments from any interested party having knowledge of the alleged violations or who can provide any information useful to ensure that the proposed remedies and penalties are appropriate. EPA will review any comments received on the complaint, and will thereafter determine whether to modify or withdraw the complaint or whether to modify the proposed penalty.

BACKGROUND

Part C of the SDWA requires the EPA to regulate underground injection of fluid through wells to assure that underground sources of drinking water (USDW) are not endangered. Section 1421 of the SDWA requires EPA to administer UIC programs in States that do not have approved State UIC programs or on Indian Lands that do not have approved Tribal UIC programs. Regulation of the UIC Class II Program has not been delegated to the Ute Tribe; therefore, EPA administers the program in accordance with title 40 of the Code of Federal Regulations (40 C.F.R.), Parts 124, 144, 146, 147, and 148.

The three Class II injection wells which are the subject of this complaint, are operated by P&M Petroleum Management LLC, and are located in the Coyote Canyon Oil Field, Uintah County, in Sections 6 and 7 of Township 8 South, Range 25 East. A Class II injection well, pursuant to 40 C.F.R. 144.6 and 146.5, is a well that injects fluids (a) brought to the surface in connection with natural gas storage operations, or conventional oil or natural gas production, (b)

for enhanced recovery of oil or natural gas, or (c) for the storage of hydrocarbons which are liquid at standard pressure and temperature. The wells subject to this complaint are enhanced oil recovery wells, injecting into the Green River Formation for the purpose of enhancing oil at nearby oil production wells. These wells are located within the exterior boundaries of the Uintah & Ouray Indian Reservation.

The complaint alleges that P&M Petroleum Management LLC is in violation of UIC regulations and is subject to appropriate penalties for failing to timely report monitoring data to EPA. The complaint proposes that EPA assess an administrative civil penalty in the amount six thousand seven hundred seventy-one dollars (\$6,771.00).

PUBLIC COMMENTS

Written comments on the complaint are encouraged and will be accepted at the address listed below for a period of thirty (30) days after the publication of this notice. Written comments submitted by the public as well as information submitted by P&M Petroleum Management LLC will be available for public review as part of the administrative record, subject to the provisions of law restricting the disclosure of confidential information. P&M Petroleum Management LLC may request a hearing. Any person submitting written comments will be notified of and has a right to participate in such a hearing. The complaint and the administrative record are available for review between 9:00 a.m. and 4:00 p.m. at the address listed below. It is recommended that those wishing to view the administrative record call Jim Eppers, Enforcement Attorney, Legal Enforcement Program, EPA Region 8, at (303) 312-6893 before visiting the EPA Region 8 offices.

Please submit written comments to:

Tina Artemis (8RC)
Regional Hearing Clerk
U.S. EPA, Region 8
1595 Wynkoop Street
Denver, Colorado 80202-1129.

A copy of the complaint will also be available for public review Monday-Thursday between 8 a.m. and 4 p.m. at the Ute Indian Tribal Environmental Program office, located in Fort Duchesne, Utah. It is recommended that you contact Shaun Chappoose, Land Use Department Director of the Ute Indian Tribe, prior to visiting. He can be reached at (435) 722-3136. Shortly after EPA sends its complaint to P&M Petroleum Management LLC, the complaint can also be viewed on the following EPA webpage: <http://www.epa.gov/region8/compliance/rhc.html>.

Any person interested in receiving their own copy of this or any future public notice of a UIC administrative action can call Nathan Wiser in the UIC program, EPA Region 8, at (303) 312-6211.

THE DECISION

EPA will review and consider all public comments received on the complaint and will thereafter determine whether to modify or withdraw the complaint or whether to modify the proposed penalty. If the complaint is revised, copies shall be provided to all parties and to all members of the public who have commented.

A handwritten signature in black ink, reading "Mark A.R. Chalfant". The signature is written in a cursive style with a horizontal line underneath the name.

Mark A.R. Chalfant, Director
Technical Enforcement Program
Office of Enforcement, Compliance, and
Environmental Justice
U.S. EPA, Region 8
1595 Wynkoop Street
Denver, CO 80202-1129

Friday
July 23, 1999

Environmental
Protection
Agency

Part V

**Environmental
Protection Agency**

40 CFR Part 22

Consolidated Rules of Practice Governing
the Administrative Assessment of Civil
Penalties, Issuance of Compliance or
Corrective Action Orders, and the
Revocation, Termination or Suspension of
Permits; Final Rule

1ST Page Only



Office of Enforcement and Compliance Assurance **INFORMATION SHEET**

U. S. EPA Small Business Resources

If you own a small business, the United States Environmental Protection Agency (EPA) offers a variety of compliance assistance resources such as workshops, training sessions, hotlines, websites, and guides to assist you in complying with federal and state environmental laws. These resources can help you understand your environmental obligations, improve compliance, and find cost-effective ways to comply through the use of pollution prevention and other innovative technologies.

Compliance Assistance Centers

(www.assistancecenters.net)

In partnership with industry, universities, and other federal and state agencies, EPA has established Compliance Assistance Centers that provide information targeted to industries with many small businesses.

Agriculture

(www.epa.gov/agriculture or 1-888-663-2155)

Automotive Recycling Industry

(www.ecarcenter.org)

Automotive Service and Repair

(www.ccar-greenlink.org or 1-888-GRN-LINK)

Chemical Industry

(www.chemalliance.org)

Construction Industry

(www.cicacenter.org or 1-734-995-4911)

Education

(www.campuserc.org)

Healthcare Industry

(www.hercenter.org or 1-734-995-4911)

Metal Finishing

(www.nmfrc.org or 1-734-995-4911)

Paints and Coatings

(www.paintcenter.org or 1-734-995-4911)

Printed Wiring Board Manufacturing

(www.pwbrc.org or 1-734-995-4911)

Printing

(www.pneac.org or 1-888-USPNEAC)

Transportation Industry

(www.transource.org)

Tribal Governments and Indian Country

(www.epa.gov/tribal/compliance or 202-564-2516)

US Border Environmental Issues

(www.bordercenter.org or 1-734-995-4911)

The Centers also provide State Resource Locators (www.envcap.org/statetools/index.cfm) for a wide range of topics to help you find important environmental compliance information specific to your state.

EPA Websites

EPA has several Internet sites that provide useful compliance assistance information and materials for small businesses. If you don't have access to the Internet at your business, many public libraries provide access to the Internet at minimal or no cost.

EPA's Home Page

www.epa.gov

Small Business Gateway

www.epa.gov/smallbusiness

Compliance Assistance Home Page

www.epa.gov/compliance/assistance

Office of Enforcement and Compliance Assurance

www.epa.gov/compliance

Voluntary Partnership Programs

www.epa.gov/partners

U.S. EPA SMALL BUSINESS RESOURCES

Hotlines, Helplines & Clearinghouses

(www.epa.gov/epahome/hotline.htm)

EPA sponsors many free hotlines and clearinghouses that provide convenient assistance regarding environmental requirements. A few examples are listed below:

Clean Air Technology Center
(www.epa.gov/ttn/catc or 1-919-541-0800)

Emergency Planning and Community Right-To-Know Act
(www.epa.gov/superfund/resources/infocenter/epcra.htm or 1-800-424-9346)

EPA's Small Business Ombudsman Hotline provides regulatory and technical assistance information.
(www.epa.gov/sbo or 1-800-368-5888)

The National Environmental Compliance Assistance Clearinghouse provides quick access to compliance assistance tools, contacts, and planned activities from the U.S. EPA, states, and other compliance assistance providers
(www.epa.gov/clearinghouse)

National Response Center to report oil and hazardous substance spills.
(www.nrc.uscg.mil or 1-800-424-8802)

Pollution Prevention Information Clearinghouse
(www.epa.gov/opptintr/ppic or 1-202-566-0799)

Safe Drinking Water Hotline
(www.epa.gov/safewater/hotline/index.html or 1-800-426-4791)

Stratospheric Ozone Refrigerants Information
(www.epa.gov/ozone or 1-800-296-1996)

Toxics Assistance Information Service also includes asbestos inquiries.
(1-202-554-1404)

Wetlands Helpline
(www.epa.gov/owow/wetlands/wetline.html or 1-800-832-7828)

State Agencies

Many state agencies have established compliance assistance programs that provide on-site and other types of assistance. Contact your local state environmental agency for more information or the following two resources:

EPA's Small Business Ombudsman
(www.epa.gov/sbo or 1-800-368-5888)

Small Business Environmental Homepage
(www.smallbiz-enviroweb.org or 1-724-452-4722)

Compliance Incentives

EPA provides incentives for environmental compliance. By participating in compliance assistance programs or voluntarily disclosing and promptly correcting violations before an enforcement action has been initiated,

businesses may be eligible for penalty waivers or reductions. EPA has two policies that potentially apply to small businesses:

The Small Business Compliance Policy
(www.epa.gov/compliance/incentives/smallbusiness)

Audit Policy
(www.epa.gov/compliance/incentives/auditing)

Commenting on Federal Enforcement Actions and Compliance Activities

The Small Business Regulatory Enforcement Fairness Act (SBREFA) established an SBA Ombudsman and 10 Regional Fairness Boards to receive comments from small businesses about federal agency enforcement actions. If you believe that you fall within the Small Business Administration's definition of a small business (based on your North American Industry Classification System (NAICS) designation, number of employees, or annual receipts, defined at 13 C.F.R. 121.201; in most cases, this means a business with 500 or fewer employees), and wish to comment on federal enforcement and compliance activities, call the SBREFA Ombudsman's toll-free number at 1-888-REG-FAIR (1-888-734-3247).

Every small business that is the subject of an enforcement or compliance action is entitled to comment on the Agency's actions without fear of retaliation. EPA employees are prohibited from using enforcement or any other means of retaliation against any member of the regulated community in response to comments made under SBREFA.

Your Duty to Comply

If you receive compliance assistance or submit comments to the SBREFA Ombudsman or Regional Fairness Boards, you still have the duty to comply with the law, including providing timely responses to EPA information requests, administrative or civil complaints, other enforcement actions or communications. The assistance information and comment processes do not give you any new rights or defenses in any enforcement action. These processes also do not affect EPA's obligation to protect public health or the environment under any of the environmental statutes it enforces, including the right to take emergency remedial or emergency response actions when appropriate. Those decisions will be based on the facts in each situation. The SBREFA Ombudsman and Fairness Boards do not participate in resolving EPA's enforcement actions. Also, remember that to preserve your rights, you need to comply with all rules governing the enforcement process.

EPA is disseminating this information to you without making a determination that your business or organization is a small business as defined by Section 222 of the Small Business Regulatory Enforcement Fairness Act or related provisions.