

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX

## 75 Hawthorne Street San Francisco, CA 94105-3901

## **Via Electronic Mail**

Gonzalo Bucio
Production & Compliance Specialist
Warren E&P, Inc.
625 E. Anaheim Street
Wilmington, CA 90744
gbucio@warrenresources.com

Docket Number: CWA-09-2026-0008

Re: Expedited Settlement Offer for Clean Water Act Section 311 Violation

Dear Gonzalo Bucio:

The U.S. Environmental Protection Agency (EPA) has evaluated the oil discharge that occurred on January 24, 2024, to the Dominguez Channel and Adjacent Waterways from the Warren E&P, Inc Facility at 625 E. Anaheim Street in Wilmington, California (Warren E&P).

Section 311(b) of the Clean Water Act (CWA) authorizes EPA to take enforcement actions, including seeking civil penalties, for oil or hazardous substance spills that violate section 311(b) of the CWA. When appropriate, however, the EPA encourages the expedited settlement of spill violations through expedited settlement on consent, see enclosed Spills Expedited Settlement Agreement (Agreement).40 C.F.R. Part 22<sup>1</sup>

This Agreement sets out the terms for resolution of the CWA administrative civil penalty actions against Warren E&P for the oil discharge that occurred on January 24, 2024, to the Dominguez Channel and Adjacent Waterways from the Warren E&P Facility. Warren E&P may therefore choose to resolve penalty liability for this spill by signing the attached Agreement and returning it to the EPA. Under the Agreement Warren E&P would agree to pay a penalty of \$2,500.

The Agreement requires Warren E&P to certify that the spill has been cleaned up, that Warren E&P has taken corrective actions that will prevent future spills and will pay the specified penalty. Please be aware that by signing the Agreement, you will waive your opportunity for a formal hearing to contest the penalty assessment and will agree to be bound by the Agreement's terms. The EPA will treat any response to the proposed Agreement, other than acceptance of the settlement offer in the

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<sup>&</sup>lt;sup>1</sup> Available at: <a href="https://www.ecfr.gov/cgi-bin/text-idx?SID=bc4a611670b80465745e672c4ca6fe1a&node=pt40.1.22&rgn=div5.">https://www.ecfr.gov/cgi-bin/text-idx?SID=bc4a611670b80465745e672c4ca6fe1a&node=pt40.1.22&rgn=div5.</a>

Agreement, as an indication that you are not interested in pursuing an expedited settlement of this matter.

If you intend to enter into this Agreement, please sign and return it, with documentation supporting that you have cleaned up the spill and a written description of the corrective actions you have taken to prevent future spills, as well as the required certification, within 30 days of your receipt of this letter to:

Ash Nieman, Inspector
U.S. EPA Region 9 Oil Program
Nieman.ash@epa.gov

Although the Agreement will commit Warren Resources to pay a civil administrative penalty, you do <u>not</u> need to make that payment at the time you return the signed Agreement to the EPA. After the EPA representative signs the Agreement, we will then ask the Regional Judicial Officer to issue a Final Order approving the Agreement. You will then be notified of the issuance of the Final Order, and your penalty will be due 30 days after the Final Order is signed. The mechanics for payment, including credit card payments through Pay.gov, can be found at:

<u>https://www.epa.gov/financial/makepayment</u>. You then must provide proof of payment to EPA using the EPA contact stated above.

Entering into the enclosed Agreement and paying the penalty will resolve Warren Resources' liability for federal civil penalties under the CWA for the spill violation alleged in the Agreement. In other words, for this spill, there would be no additional CWA civil penalties. As with any settlement of administrative civil penalties, regardless of whether you enter into the Agreement, the EPA reserves its rights to issue an administrative compliance order, to seek a court injunction directing compliance, and/or to pursue criminal sanctions, in the event any such actions are appropriate.

This offer is open for a period of 30 days from your receipt of this letter. The EPA may, at its discretion, grant up to a 90-day extension for you to accept this offer. If you would like to request an extension, you must do so by submitting it to Ash Nieman at the above address within 14 days of your receipt of this letter. If the EPA grants the extension request, you will receive an approval letter. If you do not return the signed Agreement within 30 days (or the agreed-upon extension period), this offer will be automatically withdrawn, and the EPA may pursue a more formal enforcement action for penalties. This could involve a longer process and result in a greater penalty. Under the CWA, the EPA is authorized to seek civil penalties of up to \$23,647 per day of violation. 33 U.S.C. §1321(b)(6); 40 C.F.R. part 19. In addition, the EPA may take further appropriate action if you sign the Agreement but do not pay the penalty.

Warren E&P's full compliance with the payment terms of the Agreement and completion of all tasks in accordance with the terms of the Agreement will close this case. The EPA is committed to settling this matter fairly and expeditiously. If you have any questions regarding the alleged CWA violations or the rules which govern the proceedings terminated by the enclosed document, please contact Emily Griffith (Assistant Regional Counsel), in EPA's Office of Regional Counsel at (415) 972-3906.

We look forward to hearing from you.	
	Sincerely,
	Jamie Marincola Stormwater, Wetlands and Oil Supervisor Enforcement and Compliance Assurance Division
Enclosures:	
Expedited Settlement Agreement	