



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
61 FORSYTH ST S.W. ATLANTA, GEORGIA 30303-8960
EXPEDITED SPCC SETTLEMENT AGREEMENT**

DOCKET NO. CWA-04-2007-7009

On: November 11, 2006 Time: 09:00
At: Production Well on or near Highway 7 South, Sandy Hook, Elliott County, Kentucky, Peters Gas & Oil (Respondent), an authorized representative of the United States Environmental Protection Agency (EPA) conducted an inspection to determine compliance with the Spill Prevention, Control and Countermeasures (SPCC) regulations promulgated at 40 CFR Part 112 under Section 311(j) of the Clean Water Act, 33 U.S.C. § 1321(j), (the Act), and found that Respondent had failed to comply with the SPCC regulations as noted on the attached SPCC INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY FORM (Form), which is hereby incorporated by reference.

EPA finds the Respondent is subject to the SPCC regulations and has violated the SPCC regulations as further described in the Form. The Respondent admits being subject to 40 CFR § 112 and that EPA has jurisdiction over the Respondent and the Respondent's conduct as described in the Form. Respondent does not contest the Inspection Findings, and waives any objections Respondent may have to EPA's jurisdiction.

EPA is authorized to enter into this Expedited Settlement under the authority vested in the Administrator of EPA by Section 311(b)(6)(B)(i) of the Act, 33 U.S.C. § 1321(b)(6)(B)(i), as amended by the Oil Pollution Act of 1990, and by 40 CFR § 22.13(b). The parties enter into this Expedited Settlement in order to settle the civil violations described in the Form for a penalty of \$2,150.00. The Respondent consents to the assessment of this penalty.

This Expedited Settlement is also subject to the following terms and conditions: Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the violations have been corrected at a cost of \$ ~~50,000~~ and Respondent agrees to payment of the penalty upon written notice that Expedited Settlement has been executed and is effective. **Do not enclose payment.** EPA will provide instructions in writing on the procedures for making penalty payments to the "U.S. Environmental Agency.

After this Expedited Settlement becomes effective, EPA will take no further action against the Respondent for the violations of the SPCC regulations described in the Form. However, EPA does not waive any rights to take any enforcement action for any other past, present, or future violations by the Respondent of the SPCC regulations or of any other federal statute or regulations.

Upon signing and returning this Expedited Settlement to EPA, Respondent waives the opportunity for a hearing or appeal pursuant to Section 311 of the Act, and consents to EPA's approval of the Expedited Settlement without further notice.

This Expedited Settlement is binding on the parties signing below, and is effective upon the Regional Hearing Clerks signature. If Respondent does not sign and return this Expedited Settlement as presented within 30 days of the date of its receipt, the proposed Expedited Settlement is withdrawn without prejudice to EPA's ability to file any other enforcement action for the noncompliance identified in the Form.

APPROVED BY RESPONDENT:

Name (print): DAVID J. PETERS
Title (print): owner & operator
David J. Peters Date 07/20/07
Signature

APPROVED BY EPA:

N. M. Kumar Date 8/1/07
Narindar Kumar, Chief
RCRA/OPA Enforcement & Compliance Branch

IT IS SO ORDERED:

See attached page.
D.J.P.

Susan B. Schub Date: 8/2/07
Susan B. Schub, Regional Judicial Officer

HEARING CLERK
2007 AUG -6 PM 12:55
RECEIVED
EPA REGION IV

Docket No. CWA-04-2007-7009

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the attached Consent Agreement and Final Order, in the Matter of Peters Oil & Gas, Docket No. CWA-04-2007-7009 (filed with the Regional Hearing Clerk on AUG 06 2007 2007) was served on AUG 06 2007, 2007 in the manner specified to each of the persons set forth below:

Mr. David J. Peters
Peters Oil & Gas
HC 75. Box 990
Sandy Hook, KY 41141-9615

Via Certified Mail
Return Requested

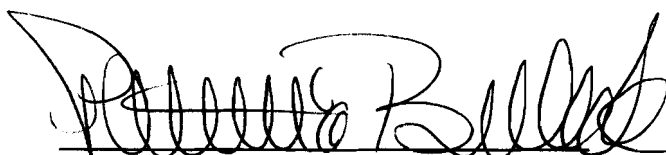
Victor Weeks, Risk Management Plan Coordinator
EPCRA Enforcement Section
U.S. EPA, Region 4
61 Forsyth St.
Atlanta, GA 30303

Via EPA's Internal Mail

Mel Rechtman
RCRA OPA Enforcement & Compliance Branch
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, GA 30303

Via EPA's Internal Mail

Date: 8-6-07



Patricia A. Bullock, Regional Hearing Clerk
United States Environmental
Protection Agency, Region 4
Atlanta Federal Center
61 Forsyth Street, S.W.
Atlanta, GA 30303
(404) 562-9511

ENCLOSURE A

PAYMENT INFORMATION

Wire Transfers

SWIFT Address MELNUS3P - (SWIFT address is only needed on international transfers)

Mellon Bank
ABA 043000261
Account 9109125
22 Morrow Drive
Pittsburgh PA 15235

Contact - Patricia McKaveney at 412-234-5805

CHECK PAYMENTS

US checks by regular US postal service mail

U.S. Environmental Protection Agency
P.O. Box 371099M
Pittsburgh, PA 15251

Contact - Patricia McKaveney at 412-234-5805

For FedEx and other non-US Postal Service express mail the correct address is:

Mellon Client Service Center
ATTN: Shift Supervisor
Lockbox 371099M Account 9109125
500 Ross Street
Pittsburgh, PA 15262-0001

EPA ACCOUNTS RECEIVABLE CONTROL NUMBER FORM

PAYMENT DUE DATE: _____

TO BE COMPLETED BY THE ORGINATING OFFICE:

(Attach a copy of the final order and transmittal letter to Defendant/Respondent)

This form was originated by: Mel Rechtman on August 1, 2007
(Name) (Date)

in the ROECB at 404/562-8745
(Office) (Phone Number)

Non-SF Judicial Order/Consent Decree
USAO COLLECTS

Administrative Order/Consent Agreement
FMO COLLECTS PAYMENT

SF Judicial Order/Consent Decree
DOJ COLLECTS

Oversight Billing - Cost Package required:
Sent with bill

Not sent with bill

Other Receivable

Oversight Billing - Cost Package not required

This is an original debt

This is a modification

PAYEE: Peters Oil & Gas

The Total Dollar Amount of the Receivable: \$2,150.00
(If installments, attach schedule of amounts and respective due dates. See other side of this form.)

The Case Docket Number: CWA-04-2007-7009
The Site Specific Superfund Account Number: _____

The Designated Regional/Headquarters Program Office: Waste

To Be Completed By Cincinnati Finance Center

The IFMS Accounts Receivable Control Number is: _____ Date: 0/00/2007
DISTRIBUTION:

A. **JUDICIAL ORDERS:** Copies of this form with an attached copy of the front page of the **FINAL JUDICIAL ORDER** should be mailed to:

1. Debt Tracking Officer
Environmental Enforcement Section
Department of Justice RM 1647
P.O. Box 7611, Benjamin Franklin Station
Washington, D.C. 20044

2. Originating Office (EAD)
3. Designated Program Office

B. **ADMINISTRATIVE ORDERS:** Copies of this form with an attached copy of the front page of the Administrative Order Should be to:

1. Originating Office
2. Regional Hearing Clerk

3. Designated Program Office
4. Regional Counsel (EAD)