

U. S. ENVIRONMENTAL PROTECTION AGENCY REGION 6
PROPOSED ADMINISTRATIVE ORDER

(NOT A FINAL ORDER)

In the Matter of Altec Petroleum Group, Inc., Respondent
Docket No. SDWA-06-2018-1101

FILED

2017 OCT 17 AM 10:56

REGIONAL HEARING CLERK
EPA REGION VI

STATUTORY AUTHORITY

The following findings are made, and Order issued, under the authority vested in the Administrator of the U.S. Environmental Protection Agency ("EPA") by Section 1423(c) of the Safe Drinking Water Act ("the Act"), 42 U.S.C. § 300h-2(c). The authority to issue this Order has been delegated by the Administrator to the Regional Administrator of EPA Region 6 who delegated such authority to the Director of the Compliance Assurance and Enforcement Division. EPA has primary enforcement responsibility for underground injection within the meaning of Section 1422(c) of the Act, 42 U.S.C. § 300h-1(c), to ensure that owners or operators of Class II injection wells within Osage County, Oklahoma, comply with the requirements of the Act.

FINDINGS

1. Altec Petroleum Group, Inc. ("Respondent") is a company doing business in the State of Oklahoma and, therefore, is a "person," within the meaning of Section 1401(12) of the Act, 42 U.S.C. § 300f(12).

2. At all times relevant to the violation alleged herein, Respondent owned or operated an "injection well" which is a "Class II well" as those terms are defined at 40 C.F.R. § 147.2902. The injection well is located in the Southeast Quarter of Section 16, Township 28 North, Range 11 East, Osage County, Oklahoma, designated as Well Number SWD 1 and EPA Inventory Number OS6341000 ("the well").

3. Respondent is subject to underground injection control ("UIC") program requirements set forth at 40 C.F.R. Part 147, Subpart GGG, which are authorized under Section 1421 of the Act, 42 U.S.C. § 300h.

4. Regulations at 40 C.F.R. § 147.2903(a) require that any underground injection is prohibited except as authorized by rule or authorized by a permit issued under the UIC program. The construction or operation of any well required to have a permit is prohibited until the permit has been issued. The term "permit" is defined at 40 C.F.R. § 147.2902.

5. Regulations at 40 C.F.R. § 147.2916 require the owner or operator of a new Class II injection well, or any other Class II well required to have a permit in the Osage Mineral Reserve, to comply with the requirements of 40 C.F.R. §§ 147.2903, 147.2907, and 147.2918 through 147.2928.

6. On August 7, 2012, EPA issued UIC permit number 06S1261P6341 ("permit") to convert a well to a Class II disposal injection well.

7. Regulations at 40 C.F.R. §§ 147.2916, 147.2922(b) and each UIC permit require the owner or operator of an injection well to monitor injection rate and pressure monthly and to report monitoring results to the EPA annually.

8. Respondent has not submitted annual operations reports for the well for the periods of April 2015 through March 2016 and April 2016 through March 2017.

9. Therefore, Respondent violated regulations at 40 C.F.R. §§ 147.2909, 147.2913(b), 147.2916, 147.2922(b), and 147.2925 by failing to submit annual operations reports for the well for the period of April 2015 through March 2016 and April 2016 through March 2017.

SECTION 1423(c) COMPLIANCE ORDER

10. Based on the foregoing findings, and pursuant to the authority of Section 1423(c) of the Act, 42 U.S.C. § 300h-2(c), EPA Region 6 hereby orders Respondent to submit required annual operations reports for the well for the periods April 2015 through March 2016 and April 2016 through March 2017. The required reports shall be submitted to EPA at the address shown below within thirty (30) days after the effective date of a Final Order. Report forms are included in Attachment A, which is incorporated herein by reference.

Mr. Matthew Rudolph (6EN-WR)
U.S. Environmental Protection Agency
1445 Ross Avenue, Suite 1200
Dallas, TX 74202

NOTICE OF OPPORTUNITY TO REQUEST A HEARING

11. Respondent may request a hearing to contest the issuance of this Section 1423(c) Proposed Order, pursuant to Section 1423(c)(3)(A) of the Act, 42 U.S.C. § 300h-2(c)(3)(A). Any request for a hearing must be submitted to the Regional Hearing Clerk (6RC-D); U.S. EPA, Region 6; 1445 Ross Avenue, Suite 1200; Dallas, Texas 75202 within thirty (30) days of the date of receipt of this Proposed Administrative Order. Such hearing shall not be subject to Section 554 or 556 of the Administrative Procedure Act, 5 U.S.C. §§ 554 and 556, but shall provide a reasonable opportunity to be heard and to present evidence.

12. A request for hearing should be included in any response to this Proposed Order. Respondent must file a response in order to preserve the right to a hearing or to pursue other relief.

13. EPA has notified the public of the filing of this Proposed Order at www.epa.gov/publicnotices and has afforded the public thirty (30) days in which to comment on the Proposed Order as required by Section 1423(c)(3)(B) of the Act, 42 U.S.C. § 300h-2(c)(3)(B). At the expiration of the notice period, EPA will consider any comments filed by the public.

14. Should a hearing be requested, members of the public who commented on the issuance of this Proposed Order during the public comment period would have a right to be heard and present evidence at a hearing under Section 1423(c)(3)(C) of the Act, 42 U.S.C. § 300h-2(c)(3)(C).

GENERAL PROVISIONS

15. This Order does not constitute a waiver, suspension, or modification of the requirements of 40 C.F.R. Parts 144, 146, and 147, Subpart III, which remain in full force and effect.

16. Issuance of this Order is not an election by EPA to forego any civil or criminal action otherwise authorized under the Act.

17. Violation of the terms of this Order after its effective date or date of final judgment as described in Section 1423(c)(6) of the Act, 42 U.S.C. § 300h-2(c)(6), may subject Respondent to further enforcement action, including a civil action for enforcement of this Order under Section 1423(b) of the Act, 42 U.S.C. § 300h-2(b), and civil and criminal penalties for violations of the compliance terms of this Order under Section 1423(b)(1) and (2) of the Act, 42 U.S.C. § 300h-2(b)(1) and (2).

SETTLEMENT OF THIS PROPOSED ORDER

18. EPA encourages all parties against whom an administrative order is proposed to pursue the possibility of settlement through informal meetings with EPA. Regardless of whether a formal hearing is requested, Respondent may confer informally with EPA about the alleged violations. Respondent may wish to appear at any informal conference or formal hearing personally, by counsel or other representative, or both. To request an informal conference on the matters described in this Proposed Order, please contact Mr. Matthew Rudolph, of my staff, at (214) 665-6434.


19. If this action is settled without a formal hearing, it will be concluded by issuance of a Final Order.

EFFECTIVE DATE

20. This Order becomes effective thirty (30) days after issuance unless an appeal is taken pursuant to Section 1423(c)(6) of the Act, 42 U.S.C. § 300h-2(c)(6).

10-16-17

Date


Cheryl T. Seager
Director
Compliance Assurance and
Enforcement Division

CERTIFICATE OF SERVICE

I certify that the foregoing Proposed Administrative Order was sent to the following persons, in the manner specified, on the date below:

Original hand-delivered: Regional Hearing Clerk (6RC-D)
 U.S. EPA, Region 6
 1445 Ross Avenue, Suite 1200
 Dallas, TX 75202-2733

Copy by certified mail
return receipt requested: Mr. Charles Adams
 Altec Petroleum Group, Inc.
 323 CR 3460
 Pawhuska, OK 74056

Copy: Mr. Toby Bighorse
 Bureau of Indian Affairs, Osage Agency
 P.O. Box 1539
 Pawhuska, OK 74056

 Ms. Jann Hayman
 Osage Nation Environmental and Natural Resources Department
 P.O. Box 1495
 Pawhuska, OK 74056

Dated: 17 OCT 2017

