UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TEXAS 75202-2733

JUL 09 2013

CERTIFIED MAIL-RETURN RECEIPT REQUESTED: 7011 3500 0000 0359 9977

Mr. Mike Prazan
Chevron USA Inc.
d/b/a CBRES MID 2 water system
P.O. Box4232
Odessa, TX 79760

Re: PWS ID Number: TX1650108
Administrative Order, Docket Number: SDWA-06-2013-1284

Dear Mr. Prazan:

Enclosed is an Administrative Order (Order) issued to Chevron USA Inc. for violation of the Safe Drinking Water Act (Act), 42 U.S.C. § 300f, et seq., and its implementing regulations, 40 C.F.R. Part 141. The Environmental Protection Agency (EPA) finds that Chevron USA Inc. owns or operates the public water system (PWS) identified in the Order and is therefore subject to these regulations. This Order requires certain actions and information demands.

This Order requires immediate compliance with the maximum contaminant level (MCL) for nitrate as set forth in Section 1412 of the Act, 42 U.S.C. § 300g-1. If immediate compliance is not possible, Chevron USA Inc. must submit a treatment alternative with a construction and/or repair schedule that will achieve compliance no later than eighteen (18) months from the effective date of the enclosed Order. Compliance with the MCL for nitrate is based on a single quarterly sample. As described in the enclosed Order, Chevron USA Inc. is required to deliver drinking water that meets the national standard for nitrate and to conduct quarterly monitoring to ensure compliance with the MCL. Please be aware that failure to comply with this Order may subject Chevron USA Inc. to additional enforcement action by EPA, including the initiation of legal proceedings to seek monetary penalties.

The PWS is also required to comply with all applicable Texas regulations in Title 30 Texas Administrative Code (TAC) Chapter 290, Subchapter D. Most treatment options require the submittal of engineering plans and specifications to the Texas Commission on Environmental Quality (TCEQ) for review and approval as indicated in 30 TAC § 290.39(j). The engineering plans and specifications and any pilot study report must be prepared by a Texas licensed professional engineer as required in 30 TAC §§ 290.39(d)(1) and 290.42(g), respectively. Please send engineering submittals to the TCEQ's Public Drinking Water Section address referenced in paragraph K of the Order and include the EPA Docket Number.

If you need assistance, or have questions regarding the Order, please contact Mr. Mehdi Taheri, of my staff, at (214) 665-2298.

Sincerely,

John Blevins
Director
Compliance Assurance and
Enforcement Division

Enclosure

cc: Mr. Bryan Sinclair, Director
Enforcement Division
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

Ms. Linda Brookins, Director
Water Supply Division
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

U.S. ENVIRONMENTAL PROTECTION AGENCY - REGION 6
FINDINGS OF VIOLATION, COMPLIANCE ORDER, AND INFORMATION DEMAND
In the Matter of: Chevron CBRES MID 2 Water System
Owned/Operated by Chevron USA Inc., Respondent
Docket No. SDWA-06-2013-1284, PWS ID # TX1650108

STATUTORY AUTHORITY

The following findings are made and Order issued under the authority vested in the Administrator of the United States Environmental Protection Agency ("EPA"), by Sections 1414(g) and 1445 of the Safe Drinking Water Act ("the Act"), 42 U.S.C. §§ 300g-3(g) and 300j-4. The Administrator delegated the authority to issue this Order to the Regional Administrator of EPA Region 6 who further delegated such authority to the Director of the Compliance Assurance and Enforcement Division.

FINDINGS

1. Chevron USA Inc., doing business as Chevron CBRES MID 2 water system ("Respondent"), is a "person," as defined by Section 1401(12) of the Act, 42 U.S.C. § 300f(12).

2. At all times relevant to the violations alleged herein ("relevant time period"), Respondent owned or operated the Chevron CBRES MID 2, a public water system ("PWS"), as defined by Section 1401(4) of the Act, 42 U.S.C. § 300f(4), located in Midland, Midland County, Texas ("facility"), designated as PWS number TX1650108.

3. As a PWS and a "supplier of water," Respondent is subject to the regulations promulgated by EPA pursuant to Section 1412 of the Act, 42 U.S.C. § 300g-1, entitled National Primary Drinking Water Regulations ("NPDWR").

4. During the relevant time period, Respondent's PWS served as a "non-transient non community water system," as defined by Section 1401(15) of the Act, 42 U.S.C. § 300f(15).

5. The Texas Commission on Environmental Quality ("TCEQ") and the EPA have enforcement authority for the PWS provisions of the Act in the State of Texas. TCEQ and EPA have consulted regarding this Order, and it has been agreed that EPA would initiate this enforcement action.

6. During the relevant time period, Respondent's PWS was subject to NPDWR requirements for the nitrate maximum contaminant level ("MCL") as set forth in 40 C.F.R § 141.62(b). Respondent monitored for nitrate in June and December of 2012, and April 2013, and reported values of 17.5 mg/L, 16.9 mg/L, and 15.6 mg/L, respectively, that exceeded the nitrate MCL of 10 mg/L in violation of 40 C.F.R. § 141.62(b)(7).

7. Respondent is required to comply with the nitrate requirements of the Act, as set forth in Section 1412 of the Act, 42 U.S.C. § 300g-1.

SECTION 1414(g) COMPLIANCE ORDER

Based on these findings and pursuant to the authority of Section 1414(g) of the Act, 42 U.S.C. § 300g-3(g), EPA orders Respondent to take the following actions:

A. Respondent shall comply with 40 C.F.R. § 141.31(b) and notify both TCEQ and EPA within forty-eight (48) hours in the event of nitrate MCL violations.

B. If Respondent has not provided public notice, as required by 40 C.F.R. § 141.201, regarding the violations specified in paragraph 6, the Respondent shall, within thirty (30) days of issuance of this Order, provide a public notice of the violations as set forth in 40 C.F.R. § 141.201. In the public notice, Respondent shall specify that pregnant women and children under six (6) months of age should not drink the water until notified by the PWS. Respondent shall submit a copy of the public notice to EPA and TCEQ within forty (40) days of the effective date of this Order.

C. Within fifteen (15) calendar days of the effective date of this Order, Respondent shall contact Mr. Mehdi Taheri, in writing, informing him whether Respondent will comply with the terms of this Order.

D. Respondent shall immediately comply with 40 C.F.R. § 141.62(b)(7) regarding the nitrate MCL. If immediate compliance is not technically feasible, then the Respondent must comply with E through K below.

E. Respondent shall achieve and maintain compliance with the MCL for nitrate set forth at 40 C.F.R. § 141.62(b)(7) no later than eighteen (18) months after the effective date of this Order.

F. After the effective date of this Order, in the event that sampling results indicate Respondent is exceeding the MCL for nitrate, as specified in 40 C.F.R. § 141.62(b)(7), Respondent shall make available, within forty-eight (48) hours of the nitrate MCL violation, an alternative source of water to pregnant women and children under the age of six (6) months. Respondent shall continue to make available an alternative source of water for this population until sample results indicate

that the nitrate level is within the MCL requirement. Respondent shall provide a written description to EPA and TCEQ within five (5) days of the violation describing how Respondent will make available drinking water to pregnant women and children under six (6) months of age.

SECTION 1445 INFORMATION DEMAND

Based on these findings and pursuant to the authority of Section 1445 of the Act, 42 U.S.C. § 300j-4, Respondent is required to do the following:

G. Within sixty (60) days of the effective date of this Order, Respondent shall submit to EPA an initial report on the progress made to bring the PWS into compliance with the nitrate MCL. Following the initial report, a quarterly progress report shall be submitted to EPA within ten (10) days after the end of each calendar quarter. Respondent shall notify EPA when all improvements have been completed.

H. Within one hundred and twenty (120) days of the effective date of this Order, Respondent shall submit to EPA a detailed plan to bring the system into compliance with the MCL for nitrate. The plan shall include: 1) a system modification proposal; 2) a cost analysis of system modifications; and 3) a construction schedule for the project. The schedule shall include specific milestone dates and a final compliance date that is no later than eighteen (18) months from the effective date of this Order. The plan must be submitted to EPA for approval before construction can commence.

I. The approved schedule for construction and completion of modifications will be incorporated and re-issued in a future administrative order.

J. The reporting required by this Order must be provided by the Respondent to EPA at the following address:

Mr. Mehdi Taheri
Water Enforcement Branch (6EN-W)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

K. Regarding Parts A and B in the Order Section, Respondent shall submit a copy of the public notice to TCEQ at the following addresses:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

and

Public Drinking Water Section
Water Supply Division, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

GENERAL PROVISIONS

This Order is effective upon receipt by Respondent.

Respondent may seek federal judicial review of the Order pursuant to Chapter 7 of the Administrative Procedure Act, 5 U.S.C. §§ 701-706. Section 706, which is set forth at http://uscode.house.gov/download/pls/05C7.txt, states the scope of such review.

This Section 1414(g) Compliance Order and the Section 1445 Information Demand do not constitute a waiver, suspension, or modification of the requirements of 40 C.F.R. Part 141 or other applicable federal and state requirements, which remain in full force and effect. Issuance of this Section 1414(g) Compliance Order and Section 1445 Information Demand is not an election by EPA to forego any civil or any criminal action otherwise authorized under the Act.

Violation of any term of this Section 1414(g) Compliance Order and the Section 1445 Information Demand or the Act may subject Respondent to an administrative civil penalty of up to $32,500 under Section 1414(g) of the Act, 42 U.S.C. § 300g-3(g), or a civil penalty of not more than $37,500 per day per violation, assessed by an appropriate United States District Court under Section 1414(g)(3)(A) of the Act, 42 U.S.C. § 300g-3(g)(3)(A).

This Order shall be binding on the PWS cited herein and all its successors and assignees. No change in ownership of the PWS shall alter the responsibility of the PWS under this Order.

7.9.13
Date

John Blevins
Director
Compliance Assurance and
Enforcement Division