



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

SEP 28 2011

David Clark
Gas and Oil Management Association
601 Rouse Avenue
Youngsville, Pennsylvania 16371

Re: Administrative Order for Compliance and Request for Information, EPA Docket No. CWA-03-2011-0265DN

Dear Mr. Clark:

Enclosed is an Administrative Order ("Order") and information request issued this date pursuant to Section 308 and Section 309(a) of the Clean Water Act (the "Act"), as amended, 33 U.S.C. § 1318 and 1319(a). Please provide a signed written confirmation of your intention to comply with this request to Pete Gold, EPA Region III, at the address provided in Section VI, within five (5) days of receipt of this Information Request.

Your responses to this request must be accompanied by a certificate that is signed and dated by you or the person who is authorized by you to respond to the request within fifteen (15) days unless otherwise stated. The certification must state that the response is complete and contains all information and documentation available to you pursuant to the request. Section IV, Paragraph 39 provides a Statement of Certification for this purpose.

You should carefully read the contents of the enclosed Order and information request, and communicate to each responsible official, agent or employee the actions which each such person must take to ensure compliance with its terms. Failure to comply with the terms of the Order and information request may result in further enforcement actions being taken, including a civil suit for penalties and injunctive relief, or a criminal prosecution as appropriate.

If you require any information or assistance regarding this matter, please contact Pete Gold, U.S. EPA Region III, NPDES Enforcement, 215-814-5236 or Stephen Field, Water Branch Chief in the Office of Regional Counsel, 215-814-2603.

Sincerely,


Jon M. Capacasa, Director
Water Protection Division

Enclosures



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cc: Jeff Means, Executive Assistant, Office of Field Operations, Pennsylvania Department of
Environmental Protection

Sam Harper, Environmental Program Manager, Water Management Southwest Regional
Office Pennsylvania Department of Environmental Protection





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

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IN THE MATTER OF:

Gas and Oil Management Associates
601 Rouse Ave
Youngsville, PA 16371

Rouse Farm Lease
(Gas and Oil Management Associates)
Youngsville, PA

Respondent

Docket No. CWA-03-2011-026

FINDINGS OF VIOLATION
ORDER FOR COMPLIANCE
AND REQUEST FOR INFORMATION

I. STATUTORY AUTHORITY

1. This Order for Compliance and Request for Information ("Order and Request") is issued under the authority vested in the Administrator of the Environmental Protection Agency (hereinafter "EPA") under Sections 308 and 309(a) of the Clean Water Act ("CWA" or "Act"), 33 U.S.C. §§ 1318 and 1319(a). The Administrator has delegated these authorities to the Regional Administrator of Region III, who in turn has delegated them to the Director of the Water Protection Division of Region III.

II. STATUTORY AND REGULATORY BACKGROUND

2. Section 301(a) of the Act, 33 U.S.C. § 1311(a), prohibits the discharge of any pollutants (other than dredged or fill material) from a point source into waters of the United States except in compliance with a permit issued pursuant to the National Pollutant Discharge Elimination System ("NPDES") program under Section 402 of the Act, 33 U.S.C. § 1342.
3. EPA is authorized under Section 308 of the CWA, 33 U.S.C. § 1318, to require owners and operators of point sources to establish records and make such reports as may be necessary to carry out the purpose of the Act, including but not limited to:
 - (a) Developing or assisting in the development of any effluent limitation, or other limitation, prohibition, effluent standard, pretreatment standard, or standard of performance under the CWA;

- (b) Determining whether any person is in violation of any such effluent limitation, or other limitation, prohibition or effluent standard, pretreatment standard, or standard of performance;
 - (c) Any requirement under Section 308 of the CWA, 33 U.S.C. §1318; or
 - (d) Carrying out Sections 305, 311, 402, 404, and 504 of the CWA, 33 U.S.C. § 1315, 1321, 1342, 1344, and 1364.
4. Section 402(a) of the Act, 33 U.S.C. § 1342(a), provides that EPA may issue permits under the NPDES program for the discharge of pollutants from point sources to waters of the United States. The discharges are subject to specific terms and conditions as prescribed in an NPDES permit.
 5. Discharge of a pollutant includes any addition of any pollutant or combination of pollutants to waters of the United States from any point source. 40 C.F.R. § 122.2.
 6. Section 502(6) of the Act, 33 U.S.C. § 1362(6), defines “pollutant” to include, *inter alia*, sewage, sludge, biological material and industrial, municipal and agricultural waste.
 7. Section 502(14) of the Act, 33 U.S.C. § 1362(14) defines a “point source” as any discernible, confined and discrete conveyance, including, but not limited to, any pipe, ditch, channel, tunnel, conduit, well [or] discrete fissure...
 8. A centralized waste treatment (“CWT”) facility” is defined as “any facility that treats (for disposal, recycling or recovery of material) any hazardous or non-hazardous industrial wastes, hazardous or non-hazardous industrial wastewater, and/or used material received from off site.” 40 C.F.R. § 437.2(c).
 9. Pursuant to Section 402(b) of the Act, 33 U.S.C. § 1342(b), EPA authorized the Pennsylvania Department of Environmental Protection (“PADEP”) to issue NPDES permits within the Commonwealth of Pennsylvania (“PA”).

III. EPA FINDINGS AND ALLEGATIONS

10. Gas and Oil Management Associates, (“Respondent”) is a “person” within the meaning of Section 502(5) of the Act, 33 U.S.C. § 1362(5).
11. Respondent, at all times relevant to this Order and Request, has owned and/or operated Gas and Oil Management and Associates-Rouse Farm Lease (“the Facility”), in Youngsville, Warren County, PA.
12. Respondent operated the Facility pursuant to NPDES Permit No. PA6310001 (“Permit”) which is effective through February 01, 2012.
13. The Permit authorizes discharges from the Facility through one outfall which discharges to Brokenstraw Creek.

14. Upon information and belief, the Facility had been accepting oil and gas exploration and/or production wastewaters for treatment.
15. EPA conducted a NPDES file review in the Northwest and Southwest Regional Offices of Pennsylvania Department of Environmental Protection (PADEP) April 3-8, 2011.

IV. VIOLATIONS

16. The allegations of Paragraphs 1 through 15 are realleged and incorporated herein by reference.
17. Respondent is the owner, operator and NPDES permittee for the Facility and is legally responsible for all discharges from the Facility.
18. Part A, Section 1 of the Permit prescribes effluent limitations for the Respondent's discharge.
19. A summary table of effluent limit exceedences, as reported on discharge monitoring reports ("DMRs") by Respondent, is attached as Attachment A.
20. The effluent exceedences and missing DMRs identified in Attachment A constitute violations of the Permit and Section 301(a) of the Act.

V. CONCLUSION OF LAW

21. Respondent's failures to comply with Permit effluent limitations constitute a violation of Section 301 of the CWA, 33 U.S.C. § 1311.

VI. ORDER AND REQUEST

AND NOW, this 28th day of September, 2011, Respondent is hereby ORDERED, pursuant to Section 309(a) of the Act, 33 U.S.C. § 1319(a), to undertake the following activities and pursuant to Section 308 of the CWA, 33 U.S.C. § 1318, to provide the following information within fifteen (15) calendar days from the date of this Order and Request, unless otherwise specified.

22. Respondent shall immediately take whatever action necessary to correct the deficiencies and eliminate and prevent recurrence of the violations cited above, and come into compliance with all of the applicable requirements of the Permit and the Act and its implementing regulations.
23. Within fifteen (15) days from the date of this Order and Request, Respondent shall submit a written report detailing the specific actions taken to correct the violations cited herein and explaining why such actions are anticipated to be sufficient to prevent recurrence of these or similar violations. Respondent shall submit copies of all investigations conducted as a result of effluent limit exceedences listed in Attachment A

and copies of documents related to such investigations or provide explanation why such investigations were not conducted.

24. The report referenced in Paragraph 23 shall specify whether the acceptance of oil and gas exploration and/or production wastewater caused or contributed to the effluent limit exceedences listed in Attachment A.
25. Respondent shall provide EPA with an electronic spreadsheet that summarizes the information recorded in the Facility monthly DMRs for the years 2006-2011.
26. Respondent shall provide EPA with the day, month, and year when oil and gas exploration and/or production wastewater was first accepted at the Facility.
27. Respondent shall provide EPA with the notification the Facility gave to PADEP regarding the Facility's acceptance of oil and gas exploration and/or production wastewater referenced in Paragraph 26.
28. Respondent shall provide EPA with documentation of PADEP's authorization for the acceptance of oil and gas exploration and/or production wastewater referenced in Paragraph 26.
29. Respondent shall provide to EPA all characterization evaluations of incoming wastes with source identification since the date referenced in Paragraph 26.
30. Respondent shall provide EPA with copies of all permit amendment applications including, but not limited to, applications submitted to notify the permitting authority of a proposed change in the type wastes received at the Facility since the date referenced in Paragraph 26.
31. Respondent shall provide EPA with the Facility's standard operating procedures for sampling the hauled wastewater at the truck unloading zone.
32. Respondent shall provide EPA with the Facility's method for determining whether or not to accept hauled wastewater at the truck unloading zone based on the sampling procedure referenced in Paragraph 31.
33. Respondent shall inform EPA within five (5) business days of receipt of this Order and Request if it is continuing or planning to accept oil and gas exploration and/or production wastewater and/or change current process operations.
34. Respondent shall inform EPA if a permit renewal application was submitted to the PADEP and if they plan to renew their NPDES permit.
35. Respondent shall inform EPA if a closure plan has been developed for the facility and provide such plan to EPA if it exists.
36. Respondent shall begin composite sampling, of a minimum of 8-hour duration, of its effluent for the analysis for TDS, chloride, bromide, sulfate, Gross Alpha, Radium 226

and 228 and Uranium upon receipt of this Order and Request and biweekly thereafter. Samples should be analyzed by an accredited laboratory using EPA-approved methods. Respondent shall submit to EPA and PADEP the additional monitoring data of their effluent with its monthly DMRs to characterize its water quality.

37. Respondent will not be required to perform the sampling and analysis prescribed in Paragraph 36 above, if within five (5) days of this Order and Request, Respondent certifies that it will not accept any oil and gas exploration and/or production wastewater. To meet the requirements of this paragraph, Respondent must sign and return to EPA the attached certification (Attachment B).
38. Within five (5) days from the date of this Order and Request, Respondent shall submit to EPA a certification signed by a responsible company official of Respondent's intent to comply with this Order and Request.
39. Within five (5) days from the date of this Order and Request, Respondent shall submit to EPA certification signed by a responsible official, of Respondent's intent to comply with this Order and Request.
40. Unless otherwise stated, Respondent shall provide to EPA all submissions pursuant to this Order and Request within fifteen (15) calendar days of receipt of this Order and Request. All submissions pursuant to this Order and Request shall be signed and dated by a responsible official of the Respondent and include the following certification:

"I certify that the information contained in or accompanying this submission is true, accurate, and complete.

As to the identified portion(s) of this submission for which I cannot personally verify its truth and accuracy, I certify as the responsible official having supervisory responsibility for the person(s) who, acting under my direct instructions, made the verification, that this information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

By _____
(Signature)

(Title)

(Date)

The certification shall be submitted to:

Peter Gold
Environmental Engineer
NPDES Enforcement Branch
Mail Code 3WP42
U.S. EPA, Region III
1650 Arch Street
Philadelphia, PA 19103-2029

VII. GENERAL PROVISIONS

41. Issuance of this Order and Request shall not be deemed an election by EPA to forego any administrative, civil, or criminal action to seek penalties, fines, or any other appropriate relief under the Act for the violations cited herein. EPA reserves the right to seek any remedy available under the law that it deems appropriate for the violations cited. Failure to comply and/or respond to this Order and Request, or providing misleading or false information, may subject you to civil and/or criminal sanctions pursuant to, 33 U.S.C. § 1319, 18 U.S.C. § 1001, and/or a civil judicial action initiated by EPA and the U.S. Department of Justice. If EPA initiates such an action, Respondent may be subject to civil penalties of up to \$37,500 per day of violation pursuant to 33 U.S.C. § 1319 and 40 C.F.R. Part 19.
42. If a criminal judicial action is initiated, and Respondent is convicted of a criminal offense under Section 309 of the Act, 33 U.S.C. § 1319, Respondent may be subject to a monetary fine and/or imprisonment, and may become ineligible for certain contracts, grants, or loans under Section 508 of the Act, 33 U.S.C. § 1368.
43. Respondent shall permit EPA or its authorized representative to inspect any site under its control or authority at reasonable times to confirm that Respondent is in compliance with this Order and Request, with any applicable permit, and the Act and its implementing regulations. EPA reserves all existing inspection authority.
44. This Order and Request does not constitute a waiver or modification of the terms or conditions of any NPDES permit. Compliance with the terms and conditions of this Order and Request does not relieve the Respondent of its obligations to comply with any applicable federal, state, or local law, regulation or ordinance.
45. Violation of the terms and conditions of this Order and Request constitutes an additional violation of the Act, and may result in a civil action for injunctive relief and/or a penalty not to exceed \$37,500 per day of such violation, pursuant to Sections 309(b) and (d) of the Act, 33 U.S.C. § 1319 (b) and (d). In addition, Section 309 provides for criminal sanctions for knowing or negligent violations of the Act including imprisonment and fines of up to \$50,000 per day of violation.

VIII. EFFECTIVE DATE

This ORDER AND REQUEST is effective upon receipt.

Date: 9/28/11


Jon M. Capacasa, Director
Water Protection Division
EPA, Region III

Attachment A. Monthly Discharge Monitoring Report Effluent Violations

Rouse Farm Lease – Oil and Gas Management Associates

Date	Parameter	Observed
Dec-06	TSS, Loading	63
Nov-06	TSS, Loading	245
Oct- Dec 2009	No DMRs Submitted	
Jan-Jun 2010	No DMRs Submitted	
Jun - Dec 2010	No DMRs Submitted	

I certify that **Oil and Gas Management Associates– Rouse Farm Lease**, which operates under NPDES Permit No. PAG310001, will not accept any oil and gas exploration and/or production wastewaters at this facility. For the purpose of this certification, oil and gas exploration and/or production wastewaters includes, but is not limited to: ground water produced from coal seams, shale formation ground water, well drilling fluids, fracturing fluids, shale gas produced water, water produced from conventional and unconventional wells, pit water, containment pond water, and storage pond water.

If **Oil and Gas Management Associates – Rouse Farm Lease** desires to accept oil and gas exploration and/or production wastewater after signing this certification, **Oil and Gas Management Associates – Rouse Farm Lease** will, prior to acceptance: notify EPA Region III and PADEP of its intent, take all actions necessary to comply with the Clean Water Act (CWA) and receive all necessary approvals from EPA and PADEP.

As a managing company official, I certify that this statement is true and correct. I am aware that violations of CWA are punishable under the civil and criminal provisions of Section . 309 of the CWA, which provide for the assessment of penalties, injunctive relief and imprisonment.

By _____
(Signature)

(Title)

(Date)