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

FEB 0 8 2017

CERTIFIED MAIL–RETURN RECEIPT REQUESTED: 7014 0150 0000 2454 0410

CSC of Lea County, Inc.
Registered Agent for Chevron Mining Inc.
1819 North Turner Street, Suite G
Hobbs, NM 88240-3834

Re: Administrative Order; Docket Number: CWA-06-2017-1728
NPDES Permit No. NM0022306

Dear Sir or Madam:

Enclosed is an Administrative Order (AO) issued to Chevron Mining Inc. for violation of the Clean Water Act (CWA), 33 U.S.C. § 1251–1387. Violations were identified during a review of your permit file and through communications with personnel from Chevron Mining Inc. The violations alleged are for the resumption of discharges of waste streams to the tailings facility at Chevron Mining's Questa Mine. The alleged violations are for unauthorized discharges.

This AO does not assess a monetary penalty; however, it does require compliance with applicable federal regulations. The first compliance deadline is thirty days from the effective date of this letter. The Environmental Protection Agency (EPA) has incorporated the compliance schedule that was provided by Chevron Mining Inc. EPA is committed to ensuring compliance with the requirements of the National Pollutant Discharge Elimination System (NPDES) program and my staff will assist you in any way possible. Please reference AO Docket Number CWA-06-2017-1728 and NPDES Permit No. NM0022306 on your response.

If you have any questions, please contact Anthony M. Loston, of my staff, at (214) 665-3109.

Sincerely,

Stacey B. Dwyer, P.E.
Acting Director
Compliance Assurance and
Enforcement Division
U.S. EPA, Region 6

Enclosure

cc: Ms. Shelly Lemon
Acting Bureau Chief
New Mexico Environment Department
Surface Water Quality Bureau
P.O. Box 5469
Santa Fe, NM 87502-5469

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region 6 • 1445 Ross Avenue, Suite 1200 • Dallas, TX 75202-2733
FINDINGS OF VIOLATIONS and ORDER FOR COMPLIANCE
Docket Number: CWA-06-2017-1728, NPDES Permit Number NM0022306

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 Section 309(a) of the Clean Water Act (herein "the Act"), 33 U.S.C. § 1319(a). The Administrator of EPA delegated the authority to issue this Order to the Regional Administrator of EPA Region 6, who delegated this authority to the Director of the Compliance Assurance and Enforcement Division.

FINDINGS

1. Chevron Mining Inc. ("Respondent") is a "person," as that term is defined at Section 502(5) of the Act, 33 U.S.C. § 1362(5), and 40 C.F.R. § 122.2.

2. At all times relevant to this Order ("all relevant times"), Respondent was authorized to discharge from the Questa Mine located near Questa, New Mexico ("facility"), and was, therefore, an "owner or operator" within the meaning of 40 C.F.R. § 122.2.

3. At all relevant times, the facility acted as a "point source" of a "discharge" of "pollutants" with its wastewater to the receiving waters named Red River, Waterbody Segment Code No. 20.6.4.122, which is a "water of the United States," within the meaning of Section 502 of the Act, 33 U.S.C. § 1362, and 40 C.F.R. § 122.2.

4. Because Respondent owned or operated a facility that is a point source of discharges of pollutants to waters of the U.S., Respondent and the facility were subject to the Act and the National Pollutant Discharge Elimination System ("NPDES") program.

5. Under Section 301 of the Act, 33 U.S.C. § 1311, it is unlawful for any person to discharge any pollutant from a point source to waters of the United States, except with the authorization of, and in compliance with, an NPDES permit issued pursuant to Section 402 of the Act, 33 U.S.C. § 1342.

6. Section 402(a) of the Act, 33 U.S.C. § 1342(a), provides that the Administrator of EPA may issue permits under the NPDES program for the discharge of pollutants from point sources to waters of the United States. Any such discharge is subject to the specific terms and conditions prescribed in the applicable permit.

7. Respondent applied for and was issued NPDES Permit No. NM0022306 (herein "the permit") under Section 402 of the Act, 33 U.S.C. § 1342, which became effective on November 1, 2013. A permit modification became effective July 1, 2016 and expires at midnight, October 31, 2018. At all relevant times, Respondent was authorized to discharge pollutants from the facility to waters of the United States only in compliance with the specific terms and conditions of the permit.

8. Part I.B. of the permit requires Respondent to comply with a schedule of activities for the cessation of waste streams to the tailings facility in order to eliminate unauthorized tailings facility seepage.

9. Pursuant to Part I.B.iii of the permit, Respondent is required to totally cease conveying mill process wastewater, mine drainage, and captured groundwater or spring water to the tailings facility by October 1, 2016.

10. Part I.B.iii of the permit was violated in that Respondent failed to permanently cease discharges of waste streams to the tailings facility by October 1, 2016. EPA was informed on November 18, 2016 that discharges of waste streams to the tailings facility were resumed.

11. Each violation of the conditions of this permit or regulations described above is a violation of Section 301 of the Act, 33 U.S.C. § 1311.

SECTION 309(a)(3)COMPLIANCE ORDER

Based on the foregoing Findings and pursuant to the authority of Section 309(a)(3) of the Act, EPA hereby orders the Respondent to take the following actions:

A. Respondent shall comply with the following schedule:

Complete construction of wastewater treatment plant.	February 20, 2017
Cease conveying mill process wastewater, mine drainage, captured ground water, and spring water to tailings facility.	June 9, 2017

SECTION 308 INFORMATION DEMAND

B. Within thirty (30) days from the effective date of this Order and every thirty (30) days thereafter until compliance is achieved, Respondent shall submit to EPA progress reports detailing actions taken to correct the violations cited herein. These reports shall be signed by an authorized official [as defined in C.F.R. § 122.22(a)(1)].

C. By June 23, 2017, Respondent shall submit to EPA a final written report detailing the specific actions taken to correct the violations cited and submit a certification signed by an authorized official [as defined in C.F.R. § 122.22(a)(1)] attesting that the violations have been addressed and the facility is operating in compliance with Section 301 of the Act, 33 U.S.C. § 1311. This report shall include the date of when discharges of mill process wastewater, mine drainage, captured ground water, and spring water to the tailings facility were terminated. The report shall also include the capital and operational costs of any construction needed to come into compliance with the violations cited herein.

D. Any information or correspondence submitted by Respondent to EPA under this Order shall be addressed to the following:

Ms. Gladys Gooden-Jackson
Water Enforcement Branch (6EN-WC)
EPA, Region 6
1445 Ross Ave., Suite 1200
Dallas, TX 75202-2733

GENERAL PROVISIONS

Issuance of this Order shall not be deemed an election by EPA to forego any administrative or judicial, civil or criminal action to seek penalties, fines, or any other relief appropriate under the Act for the violations cited herein, or other violations that become known to EPA. EPA reserves the right to seek any remedy available under the law that it deems appropriate. Failure to comply with this Order or the Act may result in further administrative action, or a civil judicial action initiated by the U.S. Department of Justice.

This Order does not constitute a waiver or modification of the terms or conditions of Respondent's NPDES permit, which remain in full force and effect. Compliance with the terms and conditions of this Order does not relieve Respondent of its obligation to comply with any applicable federal, state, or local law or regulation.

The effective date of this Order is the date it is received by Respondent.

FEB 0 8 2017

Date

Stacey B. Dwyer, P.E.
Acting Director
Compliance Assurance and
Enforcement Division
U.S. EPA, Region 6