UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 Renner Boulevard
Lenexa, Kansas 66219

MAY 1 0 2017

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
Article Number: 7014 1200 0000 6121 0780

Mr. Chuck Hutton
Field Supervisor
National Registered Agents, In. of KS
Running Foxes Petroleum, Inc.
112 SW 7th Street Suite 3C,
Topeka, Kansas 66603

RE: Running Foxes Petroleum, Inc. North Stoner Lease

Notice of Noncompliance

Dear Mr. Hutton:

This letter concerns the compliance of Running Foxes Petroleum, Inc. North Stoner Lease with the requirements of the Clean Water Act (CWA). The U.S. Environmental Protection Agency has determined that there has been non-compliance with Spill Prevention, Control and Countermeasure requirements of the CWA at your facility. Specifically, 40 C.F.R. Part 112 and Section 311(j) of the CWA require the owners and/or operators of facilities that have a storage capacity of greater than 1,320 gallons of oil to develop and implement a SPCC plan designed to address and control discharges of oil from the facility.

On June 13, 2016, representatives of the EPA conducted an inspection of the Running Foxes Petroleum, Inc. North Stoner Lease facility. The EPA's inspection found the facility had 50,820 gallons of oil storage capacity and was subject to the SPCC program. A copy of the EPA's inspection report was transmitted on August 26, 2016, that documented violations of the SPCC program. Violations included the following:

1. 40 C.F.R.112.7(a)(3): Plan has inadequate facility diagram in that take configuration is not shown,
2. 40 C.F.R. 112.7(e) Monthly tank inspection records are not maintained for three years,
3. 40 C.F.R. 112.9(c)(2) Size of secondary containment appears to be inadequate for containers and treating facilities the height of the berm was six inches at the site of a pipe repair,

The EPA requests that Running Foxes Petroleum, Inc. North Stoner Lease address this non-compliance. Please note that the agency reserves its right to pursue appropriate enforcement actions, including penalties, for violations discovered as a result of the June 13, 2016, inspection or future inspection.

Printed on Recycled Paper

If you have any questions, please contact Dave Hensley, at (913) 551-7768 or hensley.dave@epa.gov.

Sincerely,

Scott Hayes
Chief
Chemical and Oil Release Prevention Branch
Air and Waste Management Division

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 Renner Boulevard
Lenexa, Kansas 66219

MAR 2 8 2017

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
Article Number: 7014 1200 0000 6124 9803

Mr. Chuck Hutton
Field Supervisor
Running Foxes Petroleum, Inc.
1690 155th Street
Fort Scott, Kansas 66701

RE: Running Foxes Petroleum, Inc. North Stoner Lease

Notice of Noncompliance

Dear Mr. Hutton:

This letter concerns the compliance of Running Foxes Petroleum, Inc. North Stoner Lease with the requirements of the Clean Water Act (CWA). The U.S. Environmental Protection Agency has determined that there has been non-compliance with Spill Prevention, Control and Countermeasure requirements of the CWA at your facility. Specifically, 40 C.F.R. Part 112 and Section 311(j) of the CWA require the owners and/or operators of facilities that have a storage capacity of greater than 1,320 gallons of oil to develop and implement a SPCC plan designed to address and control discharges of oil from the facility.

On June 13, 2016, representatives of the EPA conducted an inspection of the Running Foxes Petroleum, Inc. North Stoner Lease facility. The EPA's inspection found the facility had 50,820 gallons of oil storage capacity and was subject to the SPCC program. A copy of the EPA's inspection report was transmitted on August 26, 2016, that documented violations of the SPCC program. Violations included the following:

1. 40 C.F.R.112.7(a)(3): Plan has inadequate facility diagram in that take configuration is not shown,
2. 40 C.F.R. 112.7(e) Monthly tank inspection records are not maintained for three years,
3. 40 C.F.R. 112.9(c)(2) Size of secondary containment appears to be inadequate for containers and treating facilities the height of the berm was six inches at the site of a pipe repair,

The EPA requests that Running Foxes Petroleum, Inc. North Stoner Lease address this non-compliance. Please note that the agency reserves its right to pursue appropriate enforcement actions, including penalties, for violations discovered as a result of the June 13, 2016, inspection or future inspection.

Printed on Recycled Paper

If you have any questions, please contact Dave Hensley, at (913) 551-7768 or hensley.dave@epa.gov.

Sincerely,

Scott Hayes
Chief
Chemical and Oil Release Prevention Branch
Air and Waste Management Division

EXPEDITED SPCC SETTLEMENT AGREEMENT
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7, 11201 RENNER BOULEVARD, LENEXA, KANSAS 66219

2017 MAR -7 AM 9:53

DOCKET NO. CWA-07-2017-0015

On: January 10, 2017

At: South 100 Rd at Soldier Rd, Richards, MO, Latitude: 37.935837, Longitude: -94.614573

Owned or operated by, Running Foxes Petroleum, Inc. (Respondent), an authorized representative of the U.S. Environmental Protection Agency (EPA) conducted an inspection to determine compliance with the Oil Pollution Prevention (SPCC) regulations promulgated at 40 C.F.R. Part 112 under Section 311(j) of the Clean Water Act (33 U.S.C. § 1321(j)) (the Act), and found that Respondent had violated regulations implementing Section 311(j) of the Act by failing to comply with the regulations as noted on the attached SPILL PREVENTION CONTROL AND COUNTERMEASURES INSPECTION FINDINGS, ALLEGED VIOLATIONS, AND PROPOSED PENALTY FORM (Form), which is hereby incorporated by reference.

This proceeding and the Expedited Settlement are under the authority vested in the Administrator of the 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 C.F.R. § 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 **$975**.

This settlement is subject to the following terms and conditions:

The EPA finds that Respondent is subject to the SPCC regulations, which are published at 40 C.F.R. Part 112, and has violated the regulations as further described in the Form. Respondent admits that he/she is subject to 40 C.F.R. Part 112 and that the EPA has jurisdiction over Respondent and Respondent's conduct as described in the Form. Respondent does not contest the Inspection Findings, and waives any objections it may have to the EPA's jurisdiction.

Respondent consents to the assessment of the penalty stated above. Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the violations have been corrected and **Respondent has sent a certified check in the amount of $975, payable to the "Environmental Protection Agency," via certified mail to:**

U.S. Environmental Protection Agency
P.O. Box 979077
St. Louis, Missouri 63197-9000

and Respondent has noted on the penalty payment check Docket No. CWA-07-2017-0015 and "OSLTF – 311." **The original, signed Settlement Agreement and copy of the penalty payment check must be sent via certified mail to:**

Dave Hensley
U.S. Environmental Protection Agency
Region 7, AWMD/CORP
11201 Renner Boulevard
Lenexa, Kansas 66219

This Expedited Settlement resolves Respondent's liability for Federal civil penalties for the violations of the SPCC regulations described in the Form. However, the EPA does not waive any rights to take any enforcement action for any other past, present, or future violations by Respondent of the SPCC regulations or of any other federal statute or regulations. By its first signature, the EPA ratifies the Inspection Findings and Alleged Violations set forth in the Form.

Upon signing and returning this Expedited Settlement to the EPA, Respondent waives the opportunity for a hearing or appeal pursuant to Section 311 of the Act, and consents to the 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 Judicial Officer's signature.

APPROVED BY EPA:

_____ Date 2/28/17
Scott Hayes
Chief, Chemical & Oil Release Prevention Branch
Air & Waste Management Division

APPROVED BY RESPONDENT:

Name (print): JOE TAGLIERI

Title (print): VP OPERATIONS

Signature: _____

Date: 8 FEB. 2017

The estimated cost for correcting the violation(s) is:

$ 4,000.00.

IT IS SO ORDERED:

Karina Borromeo Date March 7, 2017
Karina Borromeo
Regional Judicial Officer

Spill Prevention Control and Countermeasure Inspection
Findings, Alleged Violations, and Proposed Penalty Form

(Note: Do not use this form if there is no secondary containment)

These Findings, Alleged Violations and Penalties are issued by EPA Region 7 under the authority vested in the Administrator of the EPA by Section 311(b)(6)(B)(I) of the Clean Water Act, as amended by the Oil Pollution Act of 1990.

Company Name	Running Foxes Petroleum, Inc.
Facility Name	Emmerson Lease
Address	south 100 Rd at Soldier Rd
City	Richards
State	MO
Zip Code	64778
Contact	Chuck Hutton
Docket Number	CWA-07-2017-0015
Date	11-9-2016
Inspection Number	N/A
Inspector's Name	Paul Doherty
EPA Approving Official	Scott Hayes
Enforcement Contacts:	Dave Hensley

Summary of Findings

(Onshore Oil Production Facilities)

GENERAL TOPICS: 112.3(a),(d),(e); 112.5(a), (b), (c); 112.7 (a), (b), (c), (d)

(When the SPCC Plan review penalty exceeds $1,500.00 enter only the maximum allowable of $1,500.00.)

- ☐ No Spill Prevention Control and Countermeasure Plan *112.3* ($1,500)
- ☐ Plan not certified by a professional engineer *112.3(d)* ($450)
- ☐ Certification lacks one or more required elements *112.3(d)(1)* ($100)
- ☐ No management approval of plan *112.7* ($450)
- ☐ Plan not maintained on site (if facility is manned at least 4 hrs/day) or not available for review *112.3(e)(1)* ($300)
- ☐ No evidence of five-year review of plan by owner/operator *112.5(b)* ($75)
- ☑ No plan amendment(s) if the facility has had a change in: design, construction, operation, or maintenance which affects the facility's discharge potential *112.5(a)* ($75) — $75
- ☐ Amendment(s) not certified by a professional engineer *112.5(c)* ($150)
- ☐ Plan does not follow sequence of the rule and/or cross-reference not provided *112.7* ($150)
- ☐ Plan does not discuss additional procedures/methods/equipment not yet fully operational *112.7* ($75)

- [ ] Plan does not discuss alternative environmental protection to SPCC requirements *112.7(a)(2)* ($200)
- [x] Plan has inadequate or no facility diagram *112.7(a)(3)* ($75) $75
- [ ] Inadequate or no listing of type of oil and storage capacity layout of containers *112.7(a)(3)(i)* ($50)
- [ ] Inadequate or no discharge prevention measures *112.7(a)(3)(ii)* ($50)
- [ ] Inadequate or no description of drainage controls *112.7(a)(3)(iii)* ($50)
- [ ] Inadequate or no description of countermeasures for discharge discovery, response and cleanup *112.7(a)(3(iv)* ($50)
- [ ] Recovered materials not disposed of in accordance with legal requirements *112.7(a)(3)(v)* ($50)
- [ ] No contact list & phone numbers for response & reporting discharges *112.7(a)(3)(vi)* ($50)
- [ ] Plan has inadequate or no information and procedures for reporting a discharge *112.7(a)(4)* ($100)
- [ ] Plan has inadequate or no description and procedures to use when a discharge may occur *112.7(a)(5)* ($150)
- [ ] Inadequate or no prediction of equipment failure which could result in discharges *112.7(b)* ($150)
- [ ] Plan does not discuss and facility does not implement appropriate containment/diversionary structures/ equipment (including truck transfer areas) *112.7(c)* ($400)

- If claiming impracticability of appropriate containment/diversionary structures:

- [ ] Impracticability has not been clearly denoted and demonstrated in plan *112.7(d)* ($100)
- [ ] No contingency plan *112.7(d)(1)* ($150)
- [ ] No written commitment of manpower, equipment, and materials *112.7(d)(2)* ($150)
- [ ] No periodic integrity and leak testing, if impracticability is claimed *112.7(d)* ($150)
- [ ] Plan has no or inadequate discussion of general requirements not already specified *112.7(a)(1)* ($75)

QUALIFIED FACILITY REQUIREMENTS: 112.6

- [ ] Qualified Facility: No Self certification *112.6(a)* ($450)
- [ ] Qualified Facility: Self certification lacks required elements *112.6(a)* ($100)
- [ ] Qualified Facility: Technical amendments not certified *112.6(b)* ($150)
- [ ] Qualified Facility: Un-allowed deviations from requirements *112.6(c)* *($100)*
- [ ] Qualified Facility: Environmental Equivalence or Impracticability not certified by PE *112.6(d)* ($350)

WRITTEN PROCEDURES AND INSPECTION RECORDS 112.7(e)

- [ ] Plan does not include inspections and test procedures in accordance with 40 CFR Part 112 *112.7(e)* ($75)
- [ ] Inspections and tests required by 40 CFR Part 112 are not in accordance with written

procedures developed for the facility *112.7(e)* ($75)

☐ No Inspection records were available for review *112.7(e)* ($200)

Written procedures and/or a record of inspections and/or customary business records:

☐ Are not signed by appropriate supervisor or inspector *112.7(e)* ($75)

☑ Are not maintained for three years *112.7(e)* ($75) $75

PERSONNEL TRAINING AND DISCHARGE PREVENTION PROCEDURES 112.7(f)

☐ No training on the operation and maintenance of equipment to prevent discharges *112.7(f)(1)* ($75)

☐ No training on discharge procedure protocols *112 7(f)(1)* ($75)

☐ No training on the applicable pollution control laws, rules and regulations *112.7(f)(1)* ($75)

☐ Training records not maintained for three years *112.7(f)* ($75)

☐ No training on the contents of the SPCC Plan *112.7(f)(1)* ($75)

☐ No designated person accountable for spill prevention *112.7(f)(2)* ($75)

☐ Spill prevention briefings are not scheduled and conducted periodically *112.7(f)(3)* ($75)

☐ Plan has inadequate or no discussion of personnel and spill prevention procedures *112.7(f)* ($75)

FACILITY TANK CAR AND TANK TRUCK LOADING/UNLOADING 112.7(c) and/or (h-j)

☐ Inadequate containment for Loading Area [not consistent with 112.7(c)] *112.7(c)* ($400)

☐ Inadequate secondary containment, and/or rack drainage does not flow to catchment basin treatment system, or quick drainage system *112.7(h)(1)* ($750)

☐ Containment system does not hold at least the maximum capacity of the largest single compartment of any tank car or tank truck *112.7(h)(1)* ($450)

☐ There are no interlocked warning lights, or physical barrier system, or warning signs, or vehicle brake ($300) interlock system to prevent vehicular departure before complete disconnect from transfer lines- *112.7(h)(2)*

☐ There is no inspection of lowermost drains and all outlets prior to filling and departure of any tank car or tank truck- *112.7(h)(3)* ($150)

☐ Plan has no or inadequate discussion of general requirements not already specified *112.7(j)* ($75)

QUALIFIED OIL OPERATIONAL EQUIPMENT 112.7(k)

☐ Failure to establish and document procedures for inspections or a monitoring program to detect equipment failure and/or a discharge *112.7(k)(2)(i)* ($150)

☐ Failure to provide an oil spill contingency plan *112.7(k)(2)(ii)(A)* ($150)

☐ No written commitment of manpower, equipment, and materials *112.7(k)(2)(ii)(B)* ($150)

OIL PRODUCTION FACILITY DRAINAGE 112.9(b)

- ☐ Drains for the secondary containment systems at tank batteries and separation and central treating areas are not closed and sealed at all times except when uncontaminated rainwater is being drained *112.9(b)(1)* ($600)
- ☐ Prior to drainage of diked areas, rainwater is not inspected, valves opened and resealed under responsible supervision and records kept of such events *112.9(b)(1)* ($450)
- ☐ Accumulated oil on the rainwater is not removed and returned to storage or disposed of in accordance with legally approved methods *112.9(b)(1)* ($300)
- ☐ Field drainage system (drainage ditches and road ditches), oil traps, sumps and/or skimmers are not regularly inspected and/or oil is not promptly removed *112.9(b)(2)* ($300)
- ☐ Inadequate or no records maintained for drainage events *112.7* ($75)
- ☐ Plan has inadequate or no discussion or procedures for facility drainages *112.7(a)(1)* ($75)

OIL PRODUCTION FACILITY BULK STORAGE CONTAINERS 112.9 (c)

- ☐ Plan has inadequate or no risk analysis and/or evaluation of field-constructed aboveground tanks for brittle fracture *112.7(i)* ($75)
- ☐ Failure to conduct evaluation of field-constructed aboveground tanks for brittle fracture *112.7(i)* ($300)
- ☐ Container material and construction are not compatible with the oil stored and the conditions of storage *112.9(c)(1)* ($450)
- ☑ Size of secondary containment appears to be inadequate for containers and treating facilities *112.9(c)(2)* ($750) $750
- ☐ Excessive vegetation which affects the integrity of the containment *112.9(c)(2)* ($150)
- ☐ Walls of containment system are slightly eroded or have low areas *112.9(c)(2)* ($300)
- ☐ Secondary containment materials are not sufficiently impervious to contain oil *112 9(c)(2)* ($375)
- ☐ Visual inspections of containers, foundation and supports are not conducted periodically for deterioration and maintenance needs *112.9(c)(3)* ($450)
- ☐ Tank battery installations are not in accordance with good engineering practice because none of the following are present *112.9(c)(4)* ($450)
  - (1) Adequate tank capacity to prevent tank overfill- *112.9(c)(4)(i)*, **or**
  - (2) Overflow equalizing lines between the tanks- *112.9(c)(4)(ii)*, **or**
  - (3) Vacuum protection to prevent tank collapse- *112.9(c)(4)(ii)*, **or**
  - (4) High level alarms to generate and transmit an alarm signal where facilities are part of a computer control system- *112.9(c)(4)(iv)*.
- ☐ Plan has inadequate or no discussion of bulk storage tanks *112.7(a)(1)* ($75)

FACILITY TRANSFER OPERATIONS, OIL PRODUCTION FACILITY 112.9(D)

- ☐ Above ground valves and pipelines are not examined periodically on a scheduled basis for general condition (includes items, such as: flange joints, valve glands 2nd bodies, drip pans, pipeline supports, bleeder and gauge valves, polish rods/stuffing box.) *112.9(d)(1)* ($450)
- ☐ Brine and saltwater disposal facilities are not examined often- *112 9(d)(2)* ($450)

☐ Inadequate or no flowline maintenance program (includes: examination, corrosion protection, flowline replacement)- *112.9(d)(3)* ($450)

☐ Plan has inadequate or no discussion of oil production facilities- *112.7(a)(1)* ($75)

☐ Plan does not include a signed copy of the Certification of the Applicability of the Substantial Harm Criteria per 40 CFR Part *112.20(e)* ($150)

(Do not use this if FRP subject; go to traditional enforcement)

TOTAL	$975

IN THE MATTER Of Running Foxes Petroleum, Inc., Respondent
Docket No. CWA-07-2017-0015

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Order was sent this day in the following manner to the addressees:

Copy via Email to Attorney for Complainant:

rosado-chaparro.wilfredo@epa.gov

Copy via U.S. First Class Mail to Attorney for Respondent:

Joe Taglieri

VP Operations

1690 155th Street

Fort Scott, Kansas 66701

Dated: 3/7/17

Kathy Robinson

Kathy Robinson
Hearing Clerk, Region 7

EXPEDITED SPCC SETTLEMENT AGREEMENT
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7, 11201 RENNER BOULEVARD, LENEXA, KANSAS 66219

2017 MAR -7 AM 9:53

DOCKET NO. CWA-07-2017-0016

On: January 10, 2017

At: Soldier Rd and South 100 Rd, on KS/MO state line, 7 miles north and 4.9 mile east of Fort Scott, KS, Latitude: 37.933783, Longitude: -94.614497

Owned or operated by, Running Foxes Petroleum, Inc. (Respondent), an authorized representative of the U.S. Environmental Protection Agency (EPA) conducted an inspection to determine compliance with the Oil Pollution Prevention (SPCC) regulations promulgated at 40 C.F.R. Part 112 under Section 311(j) of the Clean Water Act (33 U.S.C. § 1321(j)) (the Act), and found that Respondent had violated regulations implementing Section 311(j) of the Act by failing to comply with the regulations as noted on the attached SPILL PREVENTION CONTROL AND COUNTERMEASURES INSPECTION FINDINGS, ALLEGED VIOLATIONS, AND PROPOSED PENALTY FORM (Form), which is hereby incorporated by reference.

This proceeding and the Expedited Settlement are under the authority vested in the Administrator of the 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 C.F.R. § 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 **$900**.

This settlement is subject to the following terms and conditions:

The EPA finds that Respondent is subject to the SPCC regulations, which are published at 40 C.F.R. Part 112, and has violated the regulations as further described in the Form. Respondent admits that he/she is subject to 40 C.F.R. Part 112 and that the EPA has jurisdiction over Respondent and Respondent's conduct as described in the Form. Respondent does not contest the Inspection Findings, and waives any objections it may have to the EPA's jurisdiction.

Respondent consents to the assessment of the penalty stated above. Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the violations have been corrected and **Respondent has sent a certified check in the amount of $900, payable to the "Environmental Protection Agency," via certified mail to:**

U.S. Environmental Protection Agency
P.O. Box 979077
St. Louis, Missouri 63197-9000

and Respondent has noted on the penalty payment check Docket No. CWA-07-2017-0016 and "OSLTF – 311." **The original, signed Settlement Agreement and copy of the penalty payment check must be sent via certified mail to:**

Dave Hensley
U.S. Environmental Protection Agency
Region 7, AWMD/CORP
11201 Renner Boulevard
Lenexa, Kansas 66219

This Expedited Settlement resolves Respondent's liability for Federal civil penalties for the violations of the SPCC regulations described in the Form. However, the EPA does not waive any rights to take any enforcement action for any other past, present, or future violations by Respondent of the SPCC regulations or of any other federal statute or regulations. By its first signature, the EPA ratifies the Inspection Findings and Alleged Violations set forth in the Form.

Upon signing and returning this Expedited Settlement to the EPA, Respondent waives the opportunity for a hearing or appeal pursuant to Section 311 of the Act, and consents to the 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 Judicial Officer's signature.

APPROVED BY EPA:

Date 2/28/17
Scott Hayes
Chief, Chemical & Oil Release Prevention Branch
Air & Waste Management Division

APPROVED BY RESPONDENT:

Name (print): JOE TAGLIERI

Title (print): VP OPERATIONS

Signature:

Date: 8 FEB. 2017

The estimated cost for correcting the violation(s) is:

$ 1,000.00 :

IT IS SO ORDERED:

Karina Borromeo Date March 7, 2017
Karina Borromeo
Regional Judicial Officer

Spill Prevention Control and Countermeasure Inspection
Findings, Alleged Violations, and Proposed Penalty Form

(Note: Do not use this form if there is no secondary containment)

These Findings, Alleged Violations and Penalties are issued by EPA Region 7 under the authority vested in the Administrator of the EPA by Section 311(b)(6)(B)(I) of the Clean Water Act, as amended by the Oil Pollution Act of 1990.

Company Name	Running Foxes Petroleum, Inc.
Facility Name	Shaw Lease
Address	Soldier Rd and South 100 Rd
City	Fort Scott
State	KS
Zip Code	66701
Contact	Chuck Hutton
Docket Number	CWA-07-2017-0016
Date	11-9-2016
Inspection Number	N/A
Inspector's Name	Paul Doherty
EPA Approving Official	Scott Hayes
Enforcement Contacts:	Dave Hensley

Summary of Findings

(Onshore Oil Production Facilities)

GENERAL TOPICS: 112.3(a),(d),(e); 112.5(a), (b), (c); 112.7 (a), (b), (c), (d)

(When the SPCC Plan review penalty exceeds $1,500.00 enter only the maximum allowable of $1,500.00.)

- ☐ No Spill Prevention Control and Countermeasure Plan *112.3* ($1,500)
- ☐ Plan not certified by a professional engineer *112.3(d)* ($450)
- ☐ Certification lacks one or more required elements *112.3(d)(1)* ($100)
- ☐ No management approval of plan *112.7* ($450)
- ☐ Plan not maintained on site (if facility is manned at least 4 hrs/day) or not available for review *112.3(e)(1)* ($300)
- ☐ No evidence of five-year review of plan by owner/operator *112.5(b)* ($75)
- ☐ No plan amendment(s) if the facility has had a change in: design, construction, operation, or maintenance which affects the facility's discharge potential *112.5(a)* ($75)
- ☐ Amendment(s) not certified by a professional engineer *112.5(c)* ($150)
- ☐ Plan does not follow sequence of the rule and/or cross-reference not provided *112.7* ($150)
- ☐ Plan does not discuss additional procedures/methods/equipment not yet fully operational *112.7* ($75)

- [ ] Plan does not discuss alternative environmental protection to SPCC requirements *112.7(a)(2)* ($200)
- [x] Plan has inadequate or no facility diagram *112.7(a)(3)* ($75) $75
- [ ] Inadequate or no listing of type of oil and storage capacity layout of containers *112.7(a)(3)(i)* ($50)
- [ ] Inadequate or no discharge prevention measures *112.7(a)(3)(ii)* ($50)
- [ ] Inadequate or no description of drainage controls *112.7(a)(3)(iii)* ($50)
- [ ] Inadequate or no description of countermeasures for discharge discovery, response and cleanup *112.7(a)(3(iv)* ($50)
- [ ] Recovered materials not disposed of in accordance with legal requirements *112.7(a)(3)(v)* ($50)
- [ ] No contact list & phone numbers for response & reporting discharges *112.7(a)(3)(vi)* ($50)
- [ ] Plan has inadequate or no information and procedures for reporting a discharge *112.7(a)(4)* ($100)
- [ ] Plan has inadequate or no description and procedures to use when a discharge may occur *112.7(a)(5)* ($150)
- [ ] Inadequate or no prediction of equipment failure which could result in discharges *112.7(b)* ($150)
- [ ] Plan does not discuss and facility does not implement appropriate containment/diversionary structures/ equipment (including truck transfer areas) *112.7(c)* ($400)

- If claiming impracticability of appropriate containment/diversionary structures:

- [ ] Impracticability has not been clearly denoted and demonstrated in plan *112.7(d)* ($100)
- [ ] No contingency plan *112.7(d)(1)* ($150)
- [ ] No written commitment of manpower, equipment, and materials *112.7(d)(2)* ($150)
- [ ] No periodic integrity and leak testing, if impracticability is claimed *112.7(d)* ($150)
- [ ] Plan has no or inadequate discussion of general requirements not already specified *112.7(a)(1)* ($75)

QUALIFIED FACILITY REQUIREMENTS: 112.6

- [ ] Qualified Facility: No Self certification *112.6(a)* ($450)
- [ ] Qualified Facility: Self certification lacks required elements *112.6(a)* ($100)
- [ ] Qualified Facility: Technical amendments not certified *112.6(b)* ($150)
- [ ] Qualified Facility: Un-allowed deviations from requirements *112.6(c)* *($100)*
- [ ] Qualified Facility: Environmental Equivalence or Impracticability not certified by PE *112.6(d)* ($350)

WRITTEN PROCEDURES AND INSPECTION RECORDS 112.7(e)

- [ ] Plan does not include inspections and test procedures in accordance with 40 CFR Part 112 *112.7(e)* ($75)
- [ ] Inspections and tests required by 40 CFR Part 112 are not in accordance with written

procedures developed for the facility *112.7(e)* ($75)

☐ No Inspection records were available for review *112.7(e)* ($200)

Written procedures and/or a record of inspections and/or customary business records:

☐ Are not signed by appropriate supervisor or inspector *112.7(e)* ($75)

☑ Are not maintained for three years *112.7(e)* ($75) $75

PERSONNEL TRAINING AND DISCHARGE PREVENTION PROCEDURES 112.7(f)

☐ No training on the operation and maintenance of equipment to prevent discharges *112.7(f)(1)* ($75)

☐ No training on discharge procedure protocols *112.7(f)(1)* ($75)

☐ No training on the applicable pollution control laws, rules and regulations *112.7(f)(1)* ($75)

☐ Training records not maintained for three years *112.7(f)* ($75)

☐ No training on the contents of the SPCC Plan *112.7(f)(1)* ($75)

☐ No designated person accountable for spill prevention *112.7(f)(2)* ($75)

☐ Spill prevention briefings are not scheduled and conducted periodically *112.7(f)(3)* ($75)

☐ Plan has inadequate or no discussion of personnel and spill prevention procedures *112.7(f)* ($75)

FACILITY TANK CAR AND TANK TRUCK LOADING/UNLOADING 112.7(c) and/or (h-j)

☐ Inadequate containment for Loading Area [not consistent with 112.7(c)] *112.7(c)* ($400)

☐ Inadequate secondary containment, and/or rack drainage does not flow to catchment basin treatment system, or quick drainage system *112.7(h)(1)* ($750)

☐ Containment system does not hold at least the maximum capacity of the largest single compartment of any tank car or tank truck *112.7(h)(1)* ($450)

☐ There are no interlocked warning lights, or physical barrier system, or warning signs, or vehicle brake ($300) interlock system to prevent vehicular departure before complete disconnect from transfer lines- *112.7(h)(2)*

☐ There is no inspection of lowermost drains and all outlets prior to filling and departure of any tank car or tank truck- *112.7(h)(3)* ($150)

☐ Plan has no or inadequate discussion of general requirements not already specified *112.7(j)* ($75)

QUALIFIED OIL OPERATIONAL EQUIPMENT 112.7(k)

☐ Failure to establish and document procedures for inspections or a monitoring program to detect equipment failure and/or a discharge *112.7(k)(2)(i)* ($150)

☐ Failure to provide an oil spill contingency plan *112.7(k)(2)(ii)(A)* ($150)

☐ No written commitment of manpower, equipment, and materials *112.7(k)(2)(ii)(B)* ($150)

OIL PRODUCTION FACILITY DRAINAGE 112.9(b)

- ☐ Drains for the secondary containment systems at tank batteries **and** separation **and** central treating areas are not closed and sealed at all times except when uncontaminated rainwater is being drained *112.9(b)(1)* (**$600**)

- ☐ Prior to drainage of diked areas, rainwater is not inspected, valves opened and resealed under responsible supervision and records kept of such events *112.9(b)(1)* (**$450**)

- ☐ Accumulated oil on the rainwater is not removed and returned to storage or disposed of in accordance with legally approved methods *112.9(b)(1)* (**$300**)

- ☐ Field drainage system (drainage ditches and road ditches), oil traps, sumps and/or skimmers are not regularly inspected and/or oil is not promptly removed *112.9(b)(2)* (**$300**)

- ☐ Inadequate or no records maintained for drainage events *112.7* (**$75**)

- ☐ Plan has inadequate or no discussion or procedures for facility drainages *112.7(a)(1)* (**$75**)

OIL PRODUCTION FACILITY BULK STORAGE CONTAINERS 112.9 (c)

- ☐ Plan has inadequate or no risk analysis and/or evaluation of field-constructed aboveground tanks for brittle fracture *112.7(i)* (**$75**)

- ☐ Failure to conduct evaluation of field-constructed aboveground tanks for brittle fracture *112.7(i)* (**$300**)

- ☐ Container material and construction are not compatible with the oil stored and the conditions of storage *112.9(c)(1)* (**$450**)

- ☑ Size of secondary containment appears to be inadequate for containers and treating facilities *112.9(c)(2)* (**$750**) $750

- ☐ Excessive vegetation which affects the integrity of the containment *112.9(c)(2)* (**$150**)

- ☐ Walls of containment system are slightly eroded or have low areas *112.9(c)(2)* (**$300**)

- ☐ Secondary containment materials are not sufficiently impervious to contain oil *112.9(c)(2)* (**$375**)

- ☐ Visual inspections of containers, foundation and supports are not conducted periodically for deterioration and maintenance needs *112.9(c)(3)* (**$450**)

- ☐ Tank battery installations are not in accordance with good engineering practice because none of the following are present *112.9(c)(4)* (**$450**)

  (1) Adequate tank capacity to prevent tank overfill- *112.9(c)(4)(i)*, **or**
  (2) Overflow equalizing lines between the tanks- *112.9(c)(4)(ii)*, **or**
  (3) Vacuum protection to prevent tank collapse- *112.9(c)(4)(ii)*, **or**
  (4) High level alarms to generate and transmit an alarm signal where facilities are part of a computer control system- *112.9(c)(4)(iv)*.

- ☐ Plan has inadequate or no discussion of bulk storage tanks *112.7(a)(1)* (**$75**)

FACILITY TRANSFER OPERATIONS, OIL PRODUCTION FACILITY 112.9(D)

- ☐ Above ground valves and pipelines are not examined periodically on a scheduled basis for general condition (includes items, such as: flange joints, valve glands 2nd bodies, drip pans, pipeline supports, bleeder and gauge valves, polish rods/stuffing box.) *112.9(d)(1)* (**$450**)

- ☐ Brine and saltwater disposal facilities are not examined often- *112.9(d)(2)* (**$450**)

☐ Inadequate or no flowline maintenance program (includes: examination, corrosion protection, flowline replacement)- *112.9(d)(3)* ($450)

☐ Plan has inadequate or no discussion of oil production facilities- *112.7(a)(1)* ($75)

☐ Plan does not include a signed copy of the Certification of the Applicability of the Substantial Harm Criteria per 40 CFR Part *112.20(e)* ($150)

(Do not use this if FRP subject; go to traditional enforcement)

TOTAL	$900

IN THE MATTER Of Running Foxes Petroleum, Inc., Respondent
Docket No. CWA-07-2017-0016

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Order was sent this day in the following manner to the addressees:

Copy via Email to Attorney for Complainant:

rosado-chaparro.wilfredo@epa.gov

Copy via U.S. First Class Mail to Attorney for Respondent:

Joe Taglieri
VP Operations
1690 155th Street
Fort Scott, Kansas 66701

Dated: 3/7/17

Kathy Robinson
Kathy Robinson
Hearing Clerk, Region 7

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 Renner Boulevard
Lenexa, Kansas 66219

March 7, 2017

Joe Taglieri
VP Operations
1690 155th Street
Fort Scott, Kansas 66701

Re: Running Foxes Petroleum, Inc.
Docket No: CWA-07-2017-0015
CWA-07-2017-0016

Dear Respondent:

Enclosed for your files is a copy of the Expedited SPCC Settlement Agreements In the Matter of Running Foxes Petroleum, Inc.; CWA-07-2017-0015 and CWA-07-2017-0016. The orders were filed with the Regional Hearing Clerk on March 7, 2017.

Should you have any questions, please contact Wilfredo Rosado-Chaparro at 913-551-7944, or by email at rosado-chaparro.wilfredo@epa.gov.

Sincerely,

Kathy Robinson
Regional Hearing Clerk

Encl:
Expedited SPCC Settlement Agreement

cc:
Wilfredo Rosado-Chaparro, Region 7 (via email)

Printed on Recycled Paper

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
Article Number: 7014 1200 0000 6126 3205

Chuck Hutton
Field Supervisor
Running Foxes Petroleum, Inc.
Shaw Lease
1690 155th Street
Fort Scott, Kansas 66701

RE: Expedited SPCC Settlement Offer
Docket No. CWA-07-2017-0016

Dear Mr. Hutton:

On or about June 13, 2016, the Running Foxes Petroleum, Inc. Shaw Lease facility located at Soldier Rd, and South 100 Rd, on KS/MO state line, 7 miles north and 4.9 mile east of Fort Scott, KS, Latitude: 37.933783, Longitude: -94.614497, was inspected by the U.S. Environmental Protection Agency. During the inspection, violations of the Spill Prevention, Control and Countermeasures (SPCC) regulations were found. The specific violations are identified in the attached SPCC Inspection Findings, Alleged Violations and Proposed Penalty Form (Penalty Form). The EPA has authority under Section 311 of the Clean Water Act to pursue civil penalties for violations of the SPCC regulations. However, the EPA encourages the expedited settlement of easily verifiable violations of SPCC requirements, such as the violations cited in the enclosed Expedited Settlement Agreement (Settlement Agreement). The enclosed Settlement Agreement has been issued in accordance with 40 C.F.R. Part 22, "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits" (copy enclosed).

You may resolve this matter quickly by correcting the cited violations, mailing a check for the penalty as described below, inserting in the space provided on the Settlement Agreement the estimated cost for correcting the violations, and signing and returning the Settlement Agreement within 30 days of your receipt of this letter. As previously stated, as a condition of the settlement, you must correct the violations. The EPA, at its discretion, may grant an extension if you demonstrate that it is technically infeasible or impractical to achieve compliance within 30 days. A request for an extension should be directed to Dave Hensley **at (913) 551-7768 or by mail at his address referenced below.**

The Settlement Agreement, when executed by both parties, is binding on the EPA and you. Upon receipt of the signed document and proof of penalty payment, the EPA will take no further action against you for the violations cited in the Settlement Agreement. The EPA will not approve the Settlement Agreement if returned more than 30 days after the date of your receipt of this letter unless an extension has been granted by the EPA.

If you do not pay the penalty and return the Settlement Agreement within 30 days of receipt, unless an extension has been granted by the EPA, the Settlement Agreement will be automatically withdrawn, without prejudice to the

H:\AWMD\CORP\Correspondence\EICS\Hensley\2016 Folder\Shaw Running Fox Cover Letter Shaw 11-29-2016.docx_elb_12-05-2016

Office	CORP	CORP	CNSL	CNSL	CORP
Name	Hensley	Aaron	Moreno	Breedlove	Hayes
Initial/Date	DH / 12-5-2016		SM 12/7/16	12/7/16	12/8/16

EPA's ability to file an enforcement action for the cited violations. Failure to sign and return the Settlement Agreement and pay the penalty within the time provided does not relieve you of the responsibility to comply fully with the SPCC regulations, including correcting the violations that have been specifically identified in the Penalty Form. If you decide not to sign and return the Settlement Agreement and pay the penalty, the EPA can pursue more formal enforcement measures to correct the violation(s) and seek penalties of up to $17,816 per violation up to a maximum penalty of $44,539.

You are required in the Settlement Agreement to certify that you have corrected the violations and paid the penalty. The payment for the penalty amount must be in the form of a certified check payable to the "Environmental Protection Agency," with the notation of the Docket Number of the case and "OSLTF - 311" on the check. The Docket Number is located at the top of the left column of the Settlement Agreement.

The payment of the penalty amount by certified check must be sent via CERTIFIED MAIL to:

U.S. Environmental Protection Agency
P.O. Box 979077
St. Louis, Missouri 63197-9000

The original, signed Expedited Settlement Agreement, and copy of the certified check, must be sent via CERTIFIED MAIL to:

Dave Hensley
U.S. Environmental Protection Agency
Region 7, AMWD/CORP
11201 Renner Boulevard
Lenexa, Kansas 66219

A copy of the Settlement Agreement and of the penalty payment should be retained by you. The EPA will send you a copy of the fully executed Expedited Settlement Agreement.

By terms of the Settlement Agreement, and upon the EPA's receipt of the signed Settlement Agreement and payment of the penalty, you waive your opportunity for a hearing pursuant to Section 311 of the Clean Water Act. The EPA will treat any response to the proposed Settlement Agreement, other than acceptance of the settlement offer, as an indication that you are not interested in pursuing an expedited settlement of this matter.

If you have any questions, you may contact Dave Hensley of my staff at (913) 551-7768.

Sincerely,

Scott Hayes
Chief
Chemical & Oil Release Prevention Branch
Air & Waste Management Division

Enclosures

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 Renner Boulevard
Lenexa, Kansas 66219

DEC - 8 2016

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
Article Number: 7014 1200 0000 6126 3205

Chuck Hutton
Field Supervisor
Running Foxes Petroleum, Inc.
Shaw Lease
1690 155th Street
Fort Scott, Kansas 66701

RE: Expedited SPCC Settlement Offer
Docket No. CWA-07-2017-0016

Dear Mr. Hutton:

On or about June 13, 2016, the Running Foxes Petroleum, Inc. Shaw Lease facility located at Soldier Rd, and South 100 Rd, on KS/MO state line, 7 miles north and 4.9 mile east of Fort Scott, KS, Latitude: 37.933783, Longitude: -94.614497, was inspected by the U.S. Environmental Protection Agency. During the inspection, violations of the Spill Prevention, Control and Countermeasures (SPCC) regulations were found. The specific violations are identified in the attached SPCC Inspection Findings, Alleged Violations and Proposed Penalty Form (Penalty Form). The EPA has authority under Section 311 of the Clean Water Act to pursue civil penalties for violations of the SPCC regulations. However, the EPA encourages the expedited settlement of easily verifiable violations of SPCC requirements, such as the violations cited in the enclosed Expedited Settlement Agreement (Settlement Agreement). The enclosed Settlement Agreement has been issued in accordance with 40 C.F.R. Part 22, "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits" (copy enclosed).

You may resolve this matter quickly by correcting the cited violations, mailing a check for the penalty as described below, inserting in the space provided on the Settlement Agreement the estimated cost for correcting the violations, and signing and returning the Settlement Agreement within 30 days of your receipt of this letter. As previously stated, as a condition of the settlement, you must correct the violations. The EPA, at its discretion, may grant an extension if you demonstrate that it is technically infeasible or impractical to achieve compliance within 30 days. A request for an extension should be directed to Dave Hensley **at (913) 551-7768 or by mail at his address referenced below.**

The Settlement Agreement, when executed by both parties, is binding on the EPA and you. Upon receipt of the signed document and proof of penalty payment, the EPA will take no further action against you for the violations cited in the Settlement Agreement. The EPA will not approve the Settlement Agreement if returned more than 30 days after the date of your receipt of this letter unless an extension has been granted by the EPA.

If you do not pay the penalty and return the Settlement Agreement within 30 days of receipt, unless an extension has been granted by the EPA, the Settlement Agreement will be automatically withdrawn, without prejudice to the

Printed on Recycled Paper

EPA's ability to file an enforcement action for the cited violations. Failure to sign and return the Settlement Agreement and pay the penalty within the time provided does not relieve you of the responsibility to comply fully with the SPCC regulations, including correcting the violations that have been specifically identified in the Penalty Form. If you decide not to sign and return the Settlement Agreement and pay the penalty, the EPA can pursue more formal enforcement measures to correct the violation(s) and seek penalties of up to $17,816 per violation up to a maximum penalty of $44,539.

You are required in the Settlement Agreement to certify that you have corrected the violations and paid the penalty. The payment for the penalty amount must be in the form of a certified check payable to the "Environmental Protection Agency," with the notation of the Docket Number of the case and "OSLTF - 311" on the check. The Docket Number is located at the top of the left column of the Settlement Agreement.

The payment of the penalty amount by certified check must be sent via CERTIFIED MAIL to:

U.S. Environmental Protection Agency
P.O. Box 979077
St. Louis, Missouri 63197-9000

The original, signed Expedited Settlement Agreement, and copy of the certified check, must be sent via CERTIFIED MAIL to:

Dave Hensley
U.S. Environmental Protection Agency
Region 7, AMWD/CORP
11201 Renner Boulevard
Lenexa, Kansas 66219

A copy of the Settlement Agreement and of the penalty payment should be retained by you. The EPA will send you a copy of the fully executed Expedited Settlement Agreement.

By terms of the Settlement Agreement, and upon the EPA's receipt of the signed Settlement Agreement and payment of the penalty, you waive your opportunity for a hearing pursuant to Section 311 of the Clean Water Act. The EPA will treat any response to the proposed Settlement Agreement, other than acceptance of the settlement offer, as an indication that you are not interested in pursuing an expedited settlement of this matter.

If you have any questions, you may contact Dave Hensley of my staff at (913) 551-7768.

Sincerely,

Scott Hayes
Chief
Chemical & Oil Release Prevention Branch
Air & Waste Management Division

Enclosures

EXPEDITED SPCC SETTLEMENT AGREEMENT
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7, 11201 RENNER BOULEVARD, LENEXA, KANSAS 66219

DOCKET NO. CWA-07-2017-0016

On: December 7, 2016

At: Soldier Rd and South 100 Rd, on KS/MO state line, 7 miles north and 4.9 mile east of Fort Scott, KS, Latitude: 37.933783, Longitude: -94.614497

Owned or operated by, Running Foxes Petroleum, Inc. (Respondent), an authorized representative of the U.S. Environmental Protection Agency (EPA) conducted an inspection to determine compliance with the Oil Pollution Prevention (SPCC) regulations promulgated at 40 C.F.R. Part 112 under Section 311(j) of the Clean Water Act (33 U.S.C. § 1321(j)) (the Act), and found that Respondent had violated regulations implementing Section 311(j) of the Act by failing to comply with the regulations as noted on the attached SPILL PREVENTION CONTROL AND COUNTERMEASURES INSPECTION FINDINGS, ALLEGED VIOLATIONS, AND PROPOSED PENALTY FORM (Form), which is hereby incorporated by reference.

This proceeding and the Expedited Settlement are under the authority vested in the Administrator of the 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 C.F.R. § 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 **$1,825**.

This settlement is subject to the following terms and conditions:

The EPA finds that Respondent is subject to the SPCC regulations, which are published at 40 C.F.R. Part 112, and has violated the regulations as further described in the Form. Respondent admits that he/she is subject to 40 C.F.R. Part 112 and that the EPA has jurisdiction over Respondent and Respondent's conduct as described in the Form. Respondent does not contest the Inspection Findings, and waives any objections it may have to the EPA's jurisdiction.

Respondent consents to the assessment of the penalty stated above. Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the violations have been corrected and **Respondent has sent a certified check in the amount of $1,825, payable to the "Environmental Protection Agency," via certified mail to:**

U.S. Environmental Protection Agency
P.O. Box 979077
St. Louis, Missouri 63197-9000

and Respondent has noted on the penalty payment check Docket No. CWA-07-2017-0016 and "OSLTF – 311." **The original, signed Settlement Agreement and copy of the penalty payment check must be sent via certified mail to:**

Dave Hensley
U.S. Environmental Protection Agency
Region 7, AWMD/CORP
11201 Renner Boulevard
Lenexa, Kansas 66219

This Expedited Settlement resolves Respondent's liability for Federal civil penalties for the violations of the SPCC regulations described in the Form. However, the EPA does not waive any rights to take any enforcement action for any other past, present, or future violations by Respondent of the SPCC regulations or of any other federal statute or regulations. By its first signature, the EPA ratifies the Inspection Findings and Alleged Violations set forth in the Form.

Upon signing and returning this Expedited Settlement to the EPA, Respondent waives the opportunity for a hearing or appeal pursuant to Section 311 of the Act, and consents to the 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 Judicial Officer's signature.

APPROVED BY EPA:

_____ Date _____
Scott Hayes
Chief, Chemical & Oil Release Prevention Branch
Air & Waste Management Division

APPROVED BY RESPONDENT:

Name (print):_____

Title (print):_____

Signature:_____

Date:_____

The estimated cost for correcting the violation(s) is:

$_____.

IT IS SO ORDERED:

_____ Date _____
Karina Borromeo
Regional Judicial Officer

Spill Prevention Control and Countermeasure Inspection
Findings, Alleged Violations, and Proposed Penalty Form

(Note: Do not use this form if there is no secondary containment)

These Findings, Alleged Violations and Penalties are issued by EPA Region 7 under the authority vested in the Administrator of the EPA by Section 311(b)(6)(B)(I) of the Clean Water Act, as amended by the Oil Pollution Act of 1990.

Company Name	Running Foxes Petroleum, Inc.
Facility Name	Shaw Lease
Address	Soldier Rd and South 100 Rd
City	Fort Scott
State	KS
Zip Code	66701
Contact	Chuck Hutton
Docket Number	CWA-07-2017-0016
Date	11-9-2016
Inspection Number	N/A
Inspector's Name	Paul Doherty
EPA Approving Official	Scott Hayes
Enforcement Contacts:	Dave Hensley

Summary of Findings

(Onshore Oil Production Facilities)

GENERAL TOPICS: 112.3(a),(d),(e); 112.5(a), (b), (c); 112.7 (a), (b), (c), (d)

(When the SPCC Plan review penalty exceeds $1,500.00 enter only the maximum allowable of $1,500.00.)

☐	No Spill Prevention Control and Countermeasure Plan *112.3* ($1,500)	
☑	Plan not certified by a professional engineer *112.3(d)* ($450)	$450
☐	Certification lacks one or more required elements *112.3(d)(1)* ($100)	
☐	No management approval of plan *112.7* ($450)	
☑	Plan not maintained on site (if facility is manned at least 4 hrs/day) or not available for review *112.3(e)(1)* ($300)	$300
☐	No evidence of five-year review of plan by owner/operator *112.5(b)* ($75)	
☑	No plan amendment(s) if the facility has had a change in: design, construction, operation, or maintenance which affects the facility's discharge potential *112.5(a)* ($75)	$75
☐	Amendment(s) not certified by a professional engineer *112.5(c)* ($150)	
☐	Plan does not follow sequence of the rule and/or cross-reference not provided *112.7* ($150)	
☐	Plan does not discuss additional procedures/methods/equipment not yet fully operational *112.7* ($75)	

- [ ] Plan does not discuss alternative environmental protection to SPCC requirements *112.7(a)(2)* ($200)
- [x] Plan has inadequate or no facility diagram *112.7(a)(3)* ($75) $75
- [x] Inadequate or no listing of type of oil and storage capacity layout of containers *112.7(a)(3)(i)* ($50) $50
- [ ] Inadequate or no discharge prevention measures *112.7(a)(3)(ii)* ($50)
- [x] Inadequate or no description of drainage controls *112.7(a)(3)(iii)* ($50) $50
- [ ] Inadequate or no description of countermeasures for discharge discovery, response and cleanup *112.7(a)(3(iv)* ($50)
- [ ] Recovered materials not disposed of in accordance with legal requirements *112.7(a)(3)(v)* ($50)
- [ ] No contact list & phone numbers for response & reporting discharges *112.7(a)(3)(vi)* ($50)
- [ ] Plan has inadequate or no information and procedures for reporting a discharge *112.7(a)(4)* ($100)
- [ ] Plan has inadequate or no description and procedures to use when a discharge may occur *112.7(a)(5)* ($150)
- [ ] Inadequate or no prediction of equipment failure which could result in discharges *112.7(b)* ($150)
- [ ] Plan does not discuss and facility does not implement appropriate containment/diversionary structures/ equipment (including truck transfer areas) *112.7(c)* ($400)

- If claiming impracticability of appropriate containment/diversionary structures:

- [ ] Impracticability has not been clearly denoted and demonstrated in plan *112.7(d)* ($100)
- [ ] No contingency plan *112.7(d)(1)* ($150)
- [ ] No written commitment of manpower, equipment, and materials *112.7(d)(2)* ($150)
- [ ] No periodic integrity and leak testing, if impracticability is claimed *112.7(d)* ($150)
- [ ] Plan has no or inadequate discussion of general requirements not already specified *112.7(a)(1)* ($75)

QUALIFIED FACILITY REQUIREMENTS: 112.6

- [ ] Qualified Facility: No Self certification *112.6(a)* ($450)
- [ ] Qualified Facility: Self certification lacks required elements *112.6(a)* ($100)
- [ ] Qualified Facility: Technical amendments not certified *112.6(b)* ($150)
- [ ] Qualified Facility: Un-allowed deviations from requirements *112.6(c)* *($100)*
- [ ] Qualified Facility: Environmental Equivalence or Impracticability not certified by PE *112.6(d)* ($350)

WRITTEN PROCEDURES AND INSPECTION RECORDS 112.7(e)

- [ ] Plan does not include inspections and test procedures in accordance with 40 CFR Part 112 *112.7(e)* ($75)

☐ Inspections and tests required by 40 CFR Part 112 are not in accordance with written procedures developed for the facility *112.7(e)* ($75)

☐ No Inspection records were available for review *112.7(e)* ($200)

Written procedures and/or a record of inspections and/or customary business records:

☐ Are not signed by appropriate supervisor or inspector *112.7(e)* ($75)

☑ Are not maintained for three years *112.7(e)* ($75) $75

PERSONNEL TRAINING AND DISCHARGE PREVENTION PROCEDURES 112.7(f)

☐ No training on the operation and maintenance of equipment to prevent discharges *112.7(f)(1)* ($75)

☐ No training on discharge procedure protocols *112.7(f)(1)* ($75)

☐ No training on the applicable pollution control laws, rules and regulations *112.7(f)(1)* ($75)

☐ Training records not maintained for three years *112.7(f)* ($75)

☐ No training on the contents of the SPCC Plan *112.7(f)(1)* ($75)

☐ No designated person accountable for spill prevention *112.7(f)(2)* ($75)

☐ Spill prevention briefings are not scheduled and conducted periodically *112.7(f)(3)* ($75)

☐ Plan has inadequate or no discussion of personnel and spill prevention procedures *112.7(f)* ($75)

FACILITY TANK CAR AND TANK TRUCK LOADING/UNLOADING 112.7(c) and/or (h-j)

☐ Inadequate containment for Loading Area [not consistent with 112.7(c)] *112.7(c)* ($400)

☐ Inadequate secondary containment, and/or rack drainage does not flow to catchment basin treatment system, or quick drainage system *112.7(h)(1)* ($750)

☐ Containment system does not hold at least the maximum capacity of the largest single compartment of any tank car or tank truck *112.7(h)(1)* ($450)

☐ There are no interlocked warning lights, or physical barrier system, or warning signs, or vehicle brake ($300) interlock system to prevent vehicular departure before complete disconnect from transfer lines- *112.7(h)(2)*

☐ There is no inspection of lowermost drains and all outlets prior to filling and departure of any tank car or tank truck- *112.7(h)(3)* ($150)

☐ Plan has no or inadequate discussion of general requirements not already specified *112.7(j)* ($75)

QUALIFIED OIL OPERATIONAL EQUIPMENT 112.7(k)

☐ Failure to establish and document procedures for inspections or a monitoring program to detect equipment failure and/or a discharge *112.7(k)(2)(i)* ($150)

☐ Failure to provide an oil spill contingency plan *112.7(k)(2)(ii)(A)* ($150)

☐ No written commitment of manpower, equipment, and materials *112.7(k)(2)(ii)(B)* ($150)

OIL PRODUCTION FACILITY DRAINAGE 112.9(b)

- ☐ Drains for the secondary containment systems at tank batteries **and** separation **and** central treating areas are not closed and sealed at all times except when uncontaminated rainwater is being drained *112.9(b)(1)* ($600)
- ☐ Prior to drainage of diked areas, rainwater is not inspected, valves opened and resealed under responsible supervision and records kept of such events *112.9(b)(1)* ($450)
- ☐ Accumulated oil on the rainwater is not removed and returned to storage or disposed of in accordance with legally approved methods *112.9(b)(1)* ($300)
- ☐ Field drainage system (drainage ditches and road ditches), oil traps, sumps and/or skimmers are not regularly inspected and/or oil is not promptly removed *112.9(b)(2)* ($300)
- ☐ Inadequate or no records maintained for drainage events *112.7* ($75)
- ☐ Plan has inadequate or no discussion or procedures for facility drainages *112.7(a)(1)* ($75)

OIL PRODUCTION FACILITY BULK STORAGE CONTAINERS 112.9 (c)

- ☐ Plan has inadequate or no risk analysis and/or evaluation of field-constructed aboveground tanks for brittle fracture *112.7(i)* ($75)
- ☐ Failure to conduct evaluation of field-constructed aboveground tanks for brittle fracture *112.7(i)* ($300)
- ☐ Container material and construction are not compatible with the oil stored and the conditions of storage *112.9(c)(1)* ($450)
- ☑ Size of secondary containment appears to be inadequate for containers and treating facilities *112.9(c)(2)* ($750) $750
- ☐ Excessive vegetation which affects the integrity of the containment *112.9(c)(2)* ($150)
- ☐ Walls of containment system are slightly eroded or have low areas *112.9(c)(2)* ($300)
- ☐ Secondary containment materials are not sufficiently impervious to contain oil *112.9(c)(2)* ($375)
- ☐ Visual inspections of containers, foundation and supports are not conducted periodically for deterioration and maintenance needs *112.9(c)(3)* ($450)
- ☐ Tank battery installations are not in accordance with good engineering practice because none of the following are present *112.9(c)(4)* ($450)
  - (1) Adequate tank capacity to prevent tank overfill- *112.9(c)(4)(i)*, **or**
  - (2) Overflow equalizing lines between the tanks- *112.9(c)(4)(ii)*, **or**
  - (3) Vacuum protection to prevent tank collapse- *112.9(c)(4)(ii)*, **or**
  - (4) High level alarms to generate and transmit an alarm signal where facilities are part of a computer control system- *112.9(c)(4)(iv)*.
- ☐ Plan has inadequate or no discussion of bulk storage tanks *112.7(a)(1)* ($75)

FACILITY TRANSFER OPERATIONS, OIL PRODUCTION FACILITY 112.9(D)

- ☐ Above ground valves and pipelines are not examined periodically on a scheduled basis for general condition (includes items, such as: flange joints, valve glands 2nd bodies, drip pans,

pipeline supports, bleeder and gauge valves, polish rods/stuffing box.) *112.9(d)(1)* ($450)

☐ Brine and saltwater disposal facilities are not examined often- *112.9(d)(2)* ($450)

☐ Inadequate or no flowline maintenance program (includes: examination, corrosion protection, flowline replacement)- *112.9(d)(3)* ($450)

☐ Plan has inadequate or no discussion of oil production facilities- *112.7(a)(1)* ($75)

☐ Plan does not include a signed copy of the Certification of the Applicability of the Substantial Harm Criteria per 40 CFR Part *112.20(e)* ($150)

(Do not use this if FRP subject; go to traditional enforcement)

TOTAL	$1,825

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 Renner Boulevard
Lenexa, Kansas 66219

March 7, 2017

Joe Taglieri
VP Operations
1690 155th Street
Fort Scott, Kansas 66701

Re: Running Foxes Petroleum, Inc.
Docket No: CWA-07-2017-0015
CWA-07-2017-0016

Dear Respondent:

Enclosed for your files is a copy of the Expedited SPCC Settlement Agreements In the Matter of Running Foxes Petroleum, Inc.; CWA-07-2017-0015 and CWA-07-2017-0016. The orders were filed with the Regional Hearing Clerk on March 7, 2017.

Should you have any questions, please contact Wilfredo Rosado-Chaparro at 913-551-7944, or by email at rosado-chaparro.wilfredo@epa.gov.

Sincerely,

Kathy Robinson
Regional Hearing Clerk

Encl:
Expedited SPCC Settlement Agreement

cc:
Wilfredo Rosado-Chaparro, Region 7 (via email)

Printed on Recycled Paper