



John R. Kasich, Governor
Mary Taylor, Lt. Governor
Craig W. Butler, Director

2/25/2016

Cardinal Gas Services LLC
PO Box 54734
Oklahoma City, OK 73154-1734

RE: Director's Final Findings & Orders
NPDES
Harrison County
8OU00017

Ladies and Gentlemen:

Transmitted herewith is one copy of the Director's Final Findings & Orders in the referenced matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin J. Fowler". The signature is fluid and cursive.

Kevin J. Fowler, Supervisor
Permit Processing Unit
Division of Surface Water

KJF/dks

Enclosure

CERTIFIED MAIL

cc: M. Mann, DSW
R. DeMuth, DSW
B. Schuch, DSW
L. Reeder, DSW
J. Martin, DSW
Fiscal
Compliance Section
M. McCarron, PIC
H. Griesmer, PIC
D. Stoll, NEDO/DSW
J. Witte SEDO/DSW
B. Fischbein, Legal
P. Fallah, DEFA
Journal Room
File

OHIO E.P.A.

FEB 25 2016

ENTERED DIRECTOR'S JOURNAL

BEFORE THE

OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:

Cardinal Gas Services, LLC
P.O. Box 54734
Oklahoma City, OK 73154-1734

: Director's Final
: Findings and Orders
:

Respondent

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders ("Orders") are issued to Cardinal Gas Services, LLC ("Respondent"), pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency ("Ohio EPA") under Ohio Revised Code ("ORC") §6111.03 and 3745.01.

II. PARTIES BOUND

These Orders shall apply to and be binding upon Respondent and successors in interest liable under Ohio law. No change in ownership of Respondent or the Facilities (as hereinafter defined) shall in any way alter Respondent's obligations under these Orders.

III. DEFINITIONS

Unless otherwise stated, all terms used in these Orders shall have the same meaning as defined in ORC Chapter 6111 and the rules promulgated thereunder.

IV. FINDINGS

The Director of Ohio EPA has determined the following findings:

1. Respondent is the owner and operator of hydraulic directional drilling operations located in several counties in eastern Ohio.
2. All streams, lakes, ponds, marshes, watercourses, waterways, wells, springs, irrigation systems, drainage systems, and other bodies or accumulations of water, surface and underground, natural or artificial, regardless of the depth of the strata in which underground water is located, that are situated wholly or partly within, or border upon, this state, or are within its jurisdiction, except those private waters

that do not combine or effect a junction with natural surface or underground waters are "waters of the state" as defined in ORC § 6111.01.

3. In accordance with ORC § 6111.04, no person may discharge any pollutant or cause, permit, or allow a discharge of any pollutant to waters of the state without applying for and obtaining a valid permit.
4. OAC Rule 3745-1-04 provides, in part, that the following general water quality criteria shall apply to all surface waters of the state including mixing zones: To every extent practical and possible as determined by the Director, these waters shall be: (A) Free from suspended solids or other substances that enter the waters as a result of human activity and that will settle to form putrescent or otherwise objectionable sludge deposits, or that will adversely affect aquatic life; and (C) Free from materials entering the waters as a result of human activity producing color, odor or other conditions in such a degree as to create a nuisance.
5. OAC Rule 3745-1-51 provides, in part, that the following narrative criteria shall apply to wetlands: (A) The hydrology necessary to support the biological and physical characteristics naturally present in wetlands shall be protected to prevent significant adverse impacts on: (1) Water currents, erosion or sedimentation patterns; (2) Natural water temperature variations; (3) Chemical, nutrient and dissolved oxygen regimes of the wetland; (4) The movement of aquatic fauna; (5) The pH of the wetland; and (6) Water levels or elevations, including those resulting from ground water recharge and discharge.; and (C) Conditions shall not occur that will have a significant adverse impact on the ability of the wetland to be used for wetland-dependent recreational opportunities in or on the water.
6. From June 2013 through June 2015, Respondent had the following inadvertent releases, resulting in bentonite entering waters of the state:

Date	Substance Released	Amount Reported (Gal)	Ohio EPA Spill Number
Jun-13	Bentonite	500	1404
Jun-13	Bentonite/Sediment	1,000	1405
Jun-13	Bentonite/Sediment	100	Unknown
Aug-13	Bentonite/Sediment	50	Unknown
Oct-13	Bentonite	15,000	2405
Oct-13	Bentonite	25	2299
Oct-13	Bentonite	10,000	2453
Nov-13	Bentonite	4	2532
Dec-13	Bentonite/Sediment	400	2729
Jan-14	Bentonite	1,000	184
Mar-14	Bentonite	20	468
Mar-14	Bentonite	4,020	521
May-14	Bentonite	600	972
May-14	Bentonite	75	1080
Jun-14	Bentonite/Sediment	600	1108
Aug-14	Bentonite	600	1726
Jan-15	Soil mud	125	150
Jun-15	Bentonite	Unknown	1293

***Violations of Ohio Water Pollution Control Laws
 Regulatory Statutes***

7. Respondent's bentonite clay solution discharges temporarily caused the water quality standards found in OAC Rule 3745-1-04(C) to be violated by discharging substances into waters of the state as a result of human activity that altered the natural color or other conditions of waters of the state in such a degree as to create a nuisance.
8. Respondent's bentonite clay solution discharges temporarily caused the water quality standards found in OAC Rule 3745-1-51(A) to be violated by causing adverse impacts on waters of the states' sedimentation patterns, dissolved oxygen regimes, movement of fauna and water elevations.
9. Respondent's clay discharges temporarily caused the water quality standards found in OAC Rule 3745-1-51(C) to be violated by making conditions occur that have adverse impacts on the ability of wetlands to be used for wetland-dependent recreational opportunities in or on the water.

10. Respondent's bentonite clay solution discharges were not covered by obtaining an Ohio NPDES permit or obtaining authorization to discharge under a general NPDES permit, in violation of ORC §§ 6111.04 and 6111.07.

V. ORDERS

1. Respondent shall pay to the Ohio EPA the amount of fifty nine thousand, nine hundred and forty dollars (\$59,940.00) in settlement of Ohio EPA's claim for civil penalties, which may be assessed pursuant to ORC Chapter 6111. Payment shall be made by tendering an official check made payable to "Treasurer, State of Ohio" for the amount of forty seven thousand, nine hundred and fifty two dollars (\$47,952.00) within thirty (30) days of the effective date of these Orders. The official check shall be submitted to Carol Butler, or her successor, together with a letter identifying Respondent and the Facilities, at the following address:

Ohio EPA
Office of Fiscal Administration
P.O. Box 1049
Columbus, Ohio 43216-1049

2. In lieu of paying the remaining eleven thousand, nine hundred and eighty eight dollars (\$11,988.00) of civil penalty, Respondent shall fund a Supplemental Environmental Project (SEP) by making a contribution in the amount of eleven thousand, nine hundred and eighty eight dollars (\$11,988.00) to Ohio EPA's Clean Diesel School Bus Fund (Fund 5CD). Respondent shall, within thirty (30) days of the effective date of these Orders, tender an official check made payable to "Treasurer, State of Ohio" for eleven thousand, nine hundred and eighty eight dollars (\$11,988.00). The official check, together with a letter identifying Respondent and the Facilities, shall be submitted to Carol Butler, or her successor, at:

Ohio EPA
Office of Fiscal Administration
P.O. Box 1049
Columbus, Ohio 43216-1049

Photocopies of both checks shall be sent to Ohio EPA, in accordance with Section X. of these Orders.

3. Should Respondent fail to fund the SEP within the required time frame set forth in Order No. 2, Respondent shall immediately pay to Ohio EPA eleven thousand, nine hundred and eighty eight dollars (\$11,988.00) of the civil penalty

in accordance with the procedures in Order No. 1.

VI. TERMINATION

Respondent's obligations under these Orders shall terminate when Respondent certifies in writing and demonstrates to the satisfaction of Ohio EPA that Respondent has performed all obligations under these Orders and the Chief of Ohio EPA's Division of Surface Water acknowledges, in writing, the termination of these Orders. If Ohio EPA does not agree that all obligations have been performed, then Ohio EPA will notify Respondent of the obligations that have not been performed, in which case Respondent shall have an opportunity to address any such deficiencies and seek termination as described above.

The certification shall contain the following attestation: "I certify that the information contained in or accompanying this certification is true, accurate and complete."

This certification shall be submitted by Respondent to Ohio EPA and shall be signed by a responsible official of Respondent. For purposes of these Orders, a responsible official is defined in OAC Rule 3745-33-03(F).

VII. OTHER CLAIMS

Nothing in these Orders shall constitute or be construed as a release from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation, not a party to these Orders, for any liability arising from, or related to activities occurring on or at the site.

VIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to these Orders shall be undertaken in accordance with the requirements of all applicable local, state and federal laws and regulations. These Orders do not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Respondent.

IX. MODIFICATIONS

These Orders may be modified by agreement of the parties hereto. Modifications shall be in writing and shall be effective on the date entered in the journal of the Director of Ohio EPA.

X. NOTICE

All documents required to be submitted by Respondent pursuant to these Orders shall be addressed to:

Ohio Environmental Protection Agency
Division of Surface Water, 401 Unit
50 West Town Street, Suite 500
Columbus, Ohio 43216
Attn: Enforcement Supervisor

XI. RESERVATION OF RIGHTS

Ohio EPA and Respondent each reserve all rights, privileges and causes of action, except as specifically waived in Section XII of these Orders.

XII. WAIVER

In order to resolve disputed claims, without admission of fact, violation or liability, and in lieu of further enforcement action by Ohio EPA for only the violations specifically cited in these Orders, Respondent consents to the issuance of these Orders and agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondent's liability for the violations specifically cited herein.

Respondent hereby waives the right to appeal the issuance, terms and conditions, and service of these Orders, and Respondent hereby waives any and all rights Respondent may have to seek administrative or judicial review of these Orders either in law or equity.

Notwithstanding the preceding, Ohio EPA and Respondent agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Respondent retains the right to intervene and participate in such appeal. In such an event, Respondent shall continue to comply with these Orders notwithstanding such appeal and intervention unless these Orders are stayed, vacated or modified.

XIII. EFFECTIVE DATE

The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

Each undersigned representative or a party to these Orders certifies that he or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.

IT IS SO ORDERED AND AGREED:

Ohio Environmental Protection Agency

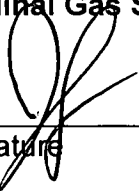


Craig W. Butler, Director

2/22/16
Date

IT IS SO AGREED:

Cardinal Gas Services, LLC



Signature

1-29-2016
Date

Jason Sarakatsannis, General Manager - Utica Supply Hub

Printed or Typed Name and Title