UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
999 18TH STREET- SUITE 300
DENVER, CO 80202-2466
Phone 800-227-8917
http://www.epa.gov/region08

2006 MAR -6 PM 12: 38

FILED
EPA REGION VIII
HEARING CLERK

DOCKET NO.: SDWA-08-2005-0041

IN THE MATTER OF:	)	
	)	
PROVIDNET ENERGY ASSOCIATION OF MONTANA LLC.	)	**FINAL ORDER**
	)	
	)	
RESPONDENTS	)	

Pursuant to 40 C.F.R. §22.18, of EPA's Consolidated Rules of Practice, the Consent Agreement resolving this matter is hereby approved and incorporated by reference into this Final Order. The Respondents are hereby **ORDERED** to comply with all of the terms of the Consent Agreement, effective immediately upon receipt by Respondents of this Consent Agreement and Final Order.

Mar. 6, 2006
DATE

Carol A. LeBoo, Acting
Regional Judicial Officer

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 8

2006 MAR -6 PM 12:38

FILED
EPA REGION VIII
HEARING CLERK

Docket No.: SDWA-08-2005-0041

In the Matter of:	)	
	)	
Provident Energy Assoc. of Montana L.L.C.	)	**CONSENT AGREEMENT**
	)	
	)	
Respondent.	)	

Complainant, United States Environmental Protection Agency, Region 8 (EPA), and Respondent Provident Energy Assoc. Of Montana L.L.C. (Provident), by their undersigned representatives, hereby consent and agree as follows.

BACKGROUND

1. EPA issued to Provident a Proposed Order and Penalty Complaint with Notice of Opportunity for Hearing (Complaint) filed on July 14, 2005, alleging the violations of Part C of the Safe Drinking Water Act (SDWA), 42 U.S.C. § 300h et seq., and underground injection control (UIC) program permits issued by EPA.

2. The Complaint alleged that Provident violated UIC permit number MT20339-00678 at part II(E)(3) and therefore the SDWA by failing to plug and abandon a Class II salt water injection well known as the "5993" well in Section 10 of Township 31 North, Range 6 West in Pondera County, Montana. The alleged duration of Respondent's violation is from October 31, 2004 until July 14, 2005. The location of the "5993" well is inside the exterior boundaries of the Blackfeet Indian Reservation.

3. The Complaint also alleged that Provident violated UIC permit numbers MT20339-00678 and MT20338-00677 at parts II(D)(1)(a)(i) and II(D)(4) and therefore the SDWA by failing to sample at least annually and analyze the injected fluid for total dissolved solids, major ions, pH, specific gravity and specific conductivity. The MT20338-00677 permit covers the "5991" Class II salt water injection well in Section 34 of Township 32 North, Range 6 West which is also located within the exterior boundary of the Blackfeet Indian Reservation. The alleged durations of these violations are from February 15, 2001 through August 13, 2003 for the "5993" well and for extended periods of time between February 15, 2001 through May 10, 2005 for the "5991" well.

4. To resolve this matter, the parties agree to a settlement requiring Provident to pay a penalty in the amount of $10,000.00 (ten thousand dollars). EPA finds this penalty amount is appropriate, taking into consideration the statutory factors in Section 1423(c)(4)(B) of the SDWA; EPA's UIC Penalty Policy; and other factors. The penalty shall not be tax deductible by Provident.

5. Provident admits that EPA has the jurisdictional authority to issue the Complaint and settle this case pursuant to this Consent Agreement, but does not confirm nor deny the remaining allegations, including the findings and alleged violation.

6. This Consent Agreement applies to and is binding upon EPA and upon Provident and its successors and assigns. Any change in ownership or corporate status of Provident, including, but not limited to, any transfer of assets of real or personal property shall not alter Provident's responsibilities under this agreement.

7. Provident waives its right to contest any issue of law or fact set forth in the Complaint and knowingly agrees to waive its right to a hearing on this matter under section 1423(c)(3)(a) of the SDWA, 42 U.S.C. § 300h-2(c)(3)(a), and to appeal this matter under SDWA section 1423(c)(6), 42 U.S.C. § 300h-2(c)(6).

TERMS OF SETTLEMENT

Civil Penalty

8. Provident consents to the issuance of the Consent Agreement and for the purposes of settlement to the payment of the above-cited civil penalty which may be paid in three (3) installments as described below.

9. Provident shall, not more than thirty (30) calendar days after the date of the signed Final Order in this matter, submit a cashier's or certified check in the amount of amount of $5,000.00 (five thousand dollars), payable to "Treasurer, United States of America" to:

   EPA - Region 8
   Regional Hearing Clerk
   Post Office Box 360859
   Pittsburgh, Pennsylvania 15251.

10. Provident shall, not more than sixty (60) calendar days after the date of the signed Final Order in this matter, submit a cashier's or certified check in the amount of amount of $2,500.00 (two thousand five hundred dollars), payable to "Treasurer, United States of America" to the address identified in paragraph 9, above.

11. Provident shall, not more than ninety (90) calendar days after the date of the signed Final Order in this matter, submit a cashier's or certified check in the amount of amount of $2,510.28 (two thousand five hundred ten dollars and twenty eight cents), payable to

"Treasurer, United States of America" to the address identified in paragraph 9, above. The additional amount represents accrued interest.

12. A copy of the checks identified in paragraphs 9, 10 and 11 shall be simultaneously mailed to the following addresses:

Tina Artemis, Regional Hearing Clerk
U.S. EPA, Region 8 (8RC)
999 18th Street, Suite 300
Denver, Colorado 80202-2466, and

Jim Eppers, Senior Enforcement Attorney
U.S. EPA, Region 8 (8ENF-L)
999 18th Street, Suite 300
Denver, Colorado 80202-2466.

13. Provident further agrees and consents that if it fails to pay the penalty in accordance with the terms of paragraphs 9, 10 or 11, the amount of $11,777.00 (eleven thousand seven hundred seventy seven dollars) less any payments made, if any, shall be due and owing. Interest on this amount shall accrue at the rate established by the Secretary of the Treasury pursuant to 31 U.S.C. §3717. A handling fee of twenty dollars ($20.00) shall be imposed for any late payments. An additional charge of fifteen dollars ($15.00) imposed for each subsequent 30-day period until the payment due is made. If any payment is ninety (90) days past the due date, a 6% penalty shall be imposed.

GENERAL PROVISIONS

14. This Consent Agreement contains all the terms of the settlement agreed to by the parties.

15. Nothing in this Consent Agreement shall relieve Provident of the duty to comply with the SDWA and its implementing regulations.

16. Failure by Provident to comply with any of the terms of this Consent Agreement shall constitute a breach of the agreement and may result in referral of the matter to the Department of Justice for enforcement of this agreement and for such other relief as may be appropriate.

17. Nothing in this Consent Agreement shall be construed as a waiver by the EPA of its authority to seek costs or any appropriate penalty associated with any collection action instituted as a result of Provident's failure to perform pursuant to the terms of this Agreement.

18. The undersigned representative of Provident certifies that he is fully authorized to enter into the terms and conditions of this Consent Agreement and to bind Provident to those terms and conditions.

19. Each party shall bear its own costs and attorneys fees in connection with this matter.

20. The parties agree to submit this Consent Agreement to the Regional Judicial Officer, with a request that it be incorporated into a Final Order.

21. This Consent Agreement, upon incorporation into a Final Order by the Regional Judicial Officer and full satisfaction by the parties, shall be a complete and full civil settlement of the specific violation alleged in the Complaint.

Provident Energy Assoc. of Montana L.L.C.

Date: 2/21/06 By: _____, Mgr.

U.S. ENVIRONMENTAL PROTECTION AGENCY
REGION 8

Date: 2/27/06 By: _____
Carol Rushin
Assistant Regional Administrator
Office of Enforcement, Compliance
and Environmental Justice

CERTIFICATE OF SERVICE

The undersigned certifies that the original of the attached **CONSENT AGREEMENT/FINAL ORDER** in the matter of **PROVIDENT ENERGY ASSOCIATION OF MONTANA, LLC., DOCKET NO.: SDWA-08-2004-0041** was filed with the Regional Hearing Clerk on March 6, 2006.

Further, the undersigned certifies that a true and correct copy of the document was delivered to James Eppers, Enforcement Attorney, U.S. EPA - Region 8, 999 18th Street - Suite 300, CO 80202-2466. True and correct copies of the aforementioned documents were placed in the United States mail certified/return receipt on March 6, 2006, to:

Steve M. Johnson, Esq.
Church, Harris, Johnson, & Williams, P. C.
21 Third Street North, Third Floor
P. O. Box 1645
Great Falls, MT 59403-1645

And hand-carried to:

Honorable Carol A. LeBoo, Acting
Regional Judicial Officer (8RC)
U. S. Environmental Protection Agency
999 18th Street, Suite 300
Denver, CO 80202

March 6, 2006

Tina Artemis
Regional Hearing Clerk