

Air Enforcement: Alabama Department of Environmental Management and Conecuh County Oil and Gas Well Operator Enter into Consent Order



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The Alabama Department of Environmental Management (“ADEM”) and Pruet Production Company (“PPC”) entered into a March 4th Consent Order (“CO”) addressing an alleged violation of a Major Source Operating Permit (“Permit”).

PPC is stated to operate oil and gas wells at the Area 1 Field and through a third party, Gas Processors, Inc., a gas processing plant pursuant to the authority of the Permit.

ADEM is stated to have conducted an unannounced inspection of the Area 1 gas and oil wells and the Area 1 Gas Plant on August 12, 2020. Further, ADEM is stated to have followed up with PPC requesting records to verify information from the referenced inspections. Such records were provided to ADEM the same day. The agency is stated to have determined that information concerning Compliance Assurance Monitoring (“CAM”) for the Area 1 gas plant was missing and/or not in a suitable form for review.

ADEM is stated to have requested on August 27, 2020, the additional CAM records to which PPC responded the same day. The company informed ADEM that some of the requested data was not available due to a software update that occurred June 12, 2019, that resulted in changed data recording capabilities and had not been resolved.

ADEM is stated to have mailed a Letter of Inquiry to PPC to ascertain what data was available concerning the Inlet Compressors’ Catalyst Bed Pressure and Temperature as required by the CAM and the company’s plan moving forward.

PPC responded stated the following:

1. It had not established a pressure drop range during performance testing as required by the Permit. The Permittee had recorded weekly pressure drops as required by the Permit but had not used the data to monitor compliance as required by the Permit.
2. It failed to record 15-minute spot readings of the temperature drop across the catalyst bed as required by the Permit.
3. It failed to record the 4-hour rolling average temperature drop across the catalyst bed for Inlet Compressor No. 4 for July 2019, August 2019, September 2019, and October 1 - 13, 2019.

ADEM subsequently on November 30, 2020, issued a Notice of Violation for allegedly:

1. Certifying Compliance on its 2018- 2019 Annual Compliance Certification when it was not in compliance with the CAM regulations.
2. Losing the required data concerning Temperature Drop across the Catalyst Beds of the Inlet Compressors.
3. Failing to compare recorded pressure drop data to established ranges as required by the Permit.
4. Submitting the 2019 - 2020 Annual Compliance Certification late.

PPC responded to the Notice of Violation stating:

1. It has through its third party contractor, Gas Processors, Inc., instituted new practices, training, and alarms to address the issues surrounding the CAM requirements in the Permit to ensure that the Responsible Official is fully and timely informed of any issues that pertain to compliance with Permit requirements.
2. Multiple advanced notice processes have been established in-house and with its third party contractor, Gas Processors, Inc., and its permitting consultant to ensure timely and accurate submission of future Annual Compliance Certifications.

PPC is stated to neither admit nor deny ADEM's contentions.

The CO provides that PPC has indicated it instituted policies and procedures with its third party contractor and its permitting consultant to ensure strict and timely compliance with its Permit so as to avoid future violations cited in the CO. In addition, it asserts that according to ADEM, the violations cited in the CO did not cause any irreparable harm to the environment, and that there is no evidence of the company receiving any significant benefit from the violations, and there are no similar violations and enforcement action taken against PPC within the past five years.

A civil penalty of \$40,000 is assessed.

A copy of the CO can be downloaded [here](#).