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Underground Injection/Safe Drinking Water Act Enforcement: U.S. Environmental Protection Agency and Michigan Well Operator Enter into Consent Agreement

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The United States Environmental Protection Agency (“EPA”) and Lambda Energy Resources, LLC (“Lambda”) entered into a Consent Agreement and Final Order (“CAFO”) addressing alleged violations of the Safe Drinking Water Act (“SDWA”) regulations addressing underground injection control (“UIC”). See Docket No. SDWA-05-2022-0006.

The CAFO provides that Lambda is authorized to operate 42 Class II injection wells in Kalkaska, Missaukee, and Roscommon Counties in Michigan.

The 42 wells are referenced by permit numbers described in Paragraph 21 of the CAFO. Such permits authorize the underground injection of saltwater from production wells in the immediate surrounding area that are owned and operated by Lambda into the 42 injection wells. Such injection is subject to the terms and conditions set forth in the permits.

An EPA credentialed inspector is stated to have undertaken an inspection of four of the Lambda wells on November 18, 2019. A report regarding the inspection is stated to have been provided to Lambda on December 30, 2019.

EPA is stated to have sent Lambda a Noncompliance Notification on February 20, 2020, based on the findings of the inspection and a review of records for the four injection wells inspected. A written response from EPA was requested to which Lambda responded on March 17, 2020. Further, EPA issued an Information Request related to the Lambda permits and operation and maintenance of some of the 42 injection wells.

Lambda responded to the Information Request on September 18, 2020.

The CAFO alleges the following violations:

- Failure to Accurately Record Annulus Pressure
- Submission of Inaccurate Reports
- Failure to Close Annulus on the Wells

Lambda is required to undertake the following from the effective date of the CAFO:

- Within 7 days of the effective date of this CAFO, close the annulus and ensure the annulus between the tubing and the long string casing is filled with a fluid capable of inhibiting corrosion at all injection wells retaining active Permits.
- Within 30 days of the effective date of this CAFO, use calibrated gauges for all monitoring required by active Permits and/or replace with new gauges as needed. Respondent shall also provide documentation of this change within 30 days of the effective date of this CAFO.
- For the 12 months following the effective date of this CAFO, submit to EPA copies of all records of monitoring information with its monthly reports required by active Permits. Reports and records of all monitoring information shall be postmarked no later than the 10th day of the month following the reporting period.

A civil penalty of \$131, 367 is assessed.

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