



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
Division of Underground Storage Tanks
Davy Crockett Tower
500 James Robertson Parkway, 7th Floor
Nashville, Tennessee 37243

March 13, 2025

Murphy Oil USA, Inc
c/o C T Corporation System, Registered Agent
300 Montvue Road
Knoxville, Tennessee 37919

Served via Private Process Server

Re: Murphy Express #8511
1110 Mineral Wells
Paris, Tennessee 38242
Facility ID # 7-400177
Case # FDA25-0033

Dear Sir or Madam:

Enclosed is a Director's Order and Assessment ("Order") for violations of the Tennessee Petroleum Underground Storage Tank Act and relevant rules. This Order is issued by the State of Tennessee, Department of Environment and Conservation, Division of Underground Storage Tanks. A civil penalty of \$11,200.00 has been assessed against the Respondent based on the stated violations.

The Division reviewed the Application for Fund Eligibility for the above-referenced facility and determined that this facility meets the requirements for fund eligibility for a release occurring on or after June 15, 2021. Reimbursement of the approved corrective action costs for this release is authorized. The deductible for releases that occur on or after June 15, 2021, is \$5,000.00 provided the facility meets all requirements listed in Rule 0400-18-01-.09(6). Tenn. Comp. R. & Regs. 0400-18-01-.09. Based on the information provided on the Application for Fund Eligibility and violations discovered during the most recent inspection, the deductible for the release is **\$10,000.00**.

Please read the Order carefully and pay special attention to the **Notice of Rights** section. Please note that the required due dates in the Order are based on the date the Respondent receives the Order, not the date that it was signed by the Director. Any appeal must be made in writing and be received by the Division within thirty days after your receipt of the Order.

Because there is outstanding noncompliance from the December 2, 2024, inspection, if this Order is not appealed and becomes final, the facility will be placed on the petroleum **Delivery Prohibition List**. Red tags will be installed at the facility's fill ports. Documentation establishing the facility's return to compliance shall be submitted to the Division by the due date established in the Order.

If you have any questions about this matter, please contact Paige Ottenfeld at 615-913-1299 or paige.ottenfeld@tn.gov.

Sincerely,

A handwritten signature in cursive script, appearing to read "Stanley R. Boyd".

Stanley R. Boyd
Director

cc: Enforcement File
Jackson Environmental Field Office

STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION

IN THE MATTER OF:)	
)	DIVISION OF UNDERGROUND
)	STORAGE TANKS
)	
MURPHY OIL USA, INC.)	CASE NO. FDA25-0033
)	
)	
RESPONDENT.)	FACILITY: MURPHY EXPRESS
)	#8511
)	

ORDER AND ASSESSMENT

David W. Salyers, P.E., Commissioner of the Tennessee Department of Environment and Conservation (the "Commissioner"), states:

PARTIES

I.

David W. Salyers, P.E., is the duly appointed Commissioner of the Department of Environment and Conservation ("Department") and is charged with administering and enforcing the Tennessee Petroleum Underground Storage Tank Act ("Act"), Tenn. Code Ann. §§ 68-215-101 to -204. Stanley R. Boyd is the duly appointed Director of the Division of Underground Storage Tanks ("Division"). He has received written delegation from the Commissioner to administer and enforce the Act.

II.

Murphy Oil USA, Inc. ("Respondent") is a corporation created in Delaware and is registered to conduct business in Tennessee. The Respondent is a property owner and registered tank owner of three underground storage tank (UST) systems located in Henry County at 1110 Mineral Wells, Paris, Tennessee 38242 ("Facility"). Service of process may be made on the Respondent's Registered Agent, C T Corporation System, at 300 Montvue Road, Knoxville, Tennessee 37919.

JURISDICTION

III.

When the Commissioner finds that the Act is being violated or that effective measures are not in place to comply with the provisions of the Act, the Commissioner may issue an order for correction to the responsible party and assess civil penalties of up to \$10,000.00 for each day a violation exists. Tenn. Code Ann. §§ 68-215-114 and -121. If this Order becomes final, the Commissioner may affix a notice of petroleum delivery prohibition (also known as a “red tag”) to the facility fill ports or dispensers or give notice on the Department’s website of petroleum delivery prohibition. Tenn. Code Ann. § 68-215-106(c). Rules governing underground storage tanks have been promulgated and are effective as Tenn. Comp. R. & Regs. 0400-18-01-.01 to -.17 (“Rules”). Tenn. Code Ann. § 68-215-107(f).

IV.

The Respondent is a “person,” Tenn. Code Ann. § 68-215-103(11), a “responsible party,” Tenn. Code Ann. § 68-215-103(17)(A), and has violated the Act.

FACTS

V.

On April 1, 2011, the Division received a Notification for Underground Storage Tanks form listing the Respondent as the owner of the three UST systems located at the Facility. The Facility ID number is 7-400177.

VI.

On December 2, 2024, the Division received via email a report from the Respondent of issues at the Facility. The email stated on December 2, 2024, the City of Paris and county emergency management notified the Respondent they were going to the Facility to perform an investigation; upon arrival, a sheen was observed in the rip-rap outfall for the onsite stormwater system west of the onsite tank basin. Fuel odors were also present in the sewer system, but no product was detected in the observation wells.

Additionally, the Division performed a site check and inspection at the Facility. The Division emailed the Respondent and requested all compliance records be submitted to determine compliance by December 6, 2024.

VII.

On December 9, 2024, the Division sent a Results of Compliance Inspection letter to the Respondent. The letter cited the following violations that have not been corrected:

- Failure to conduct monthly monitoring on pressurized underground piping in accordance with Rule 0400-18-01-.04(2)(b)1(ii). Specifically, at the time of inspection, it was discovered that the interstitial monitoring (IM) sensors in the Regular submersible turbine pump (STP) sump, Premium STP sump, and dispenser 7/8 were either elevated or could not stand to properly function as designed.
- Failure to maintain a log of at least the last twelve months of visual inspections for seeps and drips after removing the dispenser cover in accordance with Rule 0400-18-01-.04(1)(e). Specifically, at the time of review, no log of quarterly dispenser checks were provided for review.
- Failure to inspect overfill prevention equipment at least once every three years. In accordance with Rule 0400-18-01-.02(3)(c)2. Specifically, although an overfill test was provided for review, it did not take the installed manways into consideration. Additionally, the Facility previously had ball floats installed; verification that these were uninstalled and capped or that the flappers activate lower than the activation of these floats is required, as are the tank tilt calculations.
- Failure to perform an annual walkthrough inspection in accordance with Rule 0400-18-01-.02(8)(a)1. Specifically, at the time of inspection, an annual walkthrough was not provided for review.
- Failure to have spill prevention equipment that will prevent release of petroleum to the environment when the transfer hose is detached from the fill pipe in accordance with Rule 0400-18-01-.02(3)(a)1.(i). Specifically, after the inspection, spill bucket integrity testing was submitted dated January 10, 2025, showing that the regular spill bucket had failed testing.

The letter also requested system testing be performed on all UST systems. The letter required documentation to be submitted by January 8, 2025.

VIII.

On December 10, 2024, the Division received an email with tank tightness testing after a repair to the STP riser for the regular tank system.

IX.

On December 27, 2024, the Division received analytical results showing groundwater samples above initial screening levels in three monitoring wells.

X.

On January 3, 2025, the Division received an Application for Fund Eligibility from the Respondent for the December 2, 2024 release at the Facility.

XI.

Division personnel reviewed the Application for Fund Eligibility along with the documentation required by Rule 0400-18-01-.09. Based upon this review, Division personnel determined that this Facility did not meet the requirements for the minimum deductible for the release due to the following:

- Failure to conduct monthly monitoring on pressurized underground piping in accordance with Rule 0400-18-01-.04(2)(b)1(ii).
- Failure to inspect overfill prevention equipment at least once every three years in accordance with Rule 0400-18-01-.02(3)(c)2.
- Failure to perform an annual walkthrough inspection in accordance with Rule 0400-18-01-.02(8)(a)1.
- Failure to have spill prevention equipment that will prevent release of petroleum to the environment when the transfer hose is detached from the fill pipe in accordance with Rule 0400-18-01-.02(3)(a)1.(i).

The deductible for the release is \$10,000.00.

VIOLATIONS

XII.

By failing to operate a UST in compliance with the Act, the Respondent violated Tennessee Code Annotated section 68-215-104(2), which states:

It is unlawful to . . . [c]onstruct, alter or operate a petroleum underground storage tank in violation of this chapter or the rules or regulations established pursuant thereto[.]

XIII.

The Respondent has violated Rule 0400-18-01-.04(2)(b)1.(ii), which states:

0400-18-01-.04 RELEASE DETECTION

(2) Requirements for petroleum UST systems.

(b) Piping.

1. Pressurized Piping.

Underground piping that conveys petroleum under pressure shall:

- (ii) Have an annual line tightness test conducted in accordance with subparagraph (4)(b) of this rule or have monthly monitoring conducted in accordance with subparagraph (4)(c) of this rule.

XIV.

The Respondent has violated Rule 0400-18-01-.04(1)(e), which states:

0400-18-01-.04 RELEASE DETECTION.

- (1) General requirements for release detection.
 - (e) The dispenser cover shall be opened and a visual inspection for petroleum releases, including seeps and drips, shall be performed at least quarterly, that is, at least once every three months. A log of these inspections showing at a minimum the last twelve months shall be maintained by the owner and/or operator.

XV.

The Respondent has violated Rule 0400-18-01-.02(3)(c)2, which states:

0400-18-.02 UST SYSTEMS: INSTALLATION AND OPERATION.

- (3) Spill and overfill prevention.
 - (c) Periodic testing of spill prevention equipment and periodic inspection of overfill prevention equipment.
 - 2. Inspections. Overfill prevention equipment must be inspected at least once every three years. At a minimum, the inspection must ensure that overfill prevention equipment is set to activate at the correct level specified in subpart (a)1.(ii) of this paragraph and will activate when petroleum reaches that level. Inspections must be conducted in accordance with one of the criteria in items 1.(ii)(I) through (IV) of this subparagraph.

XVI.

The Respondent has violated Rule 0400-18-01-.02(8)(a)1, which states:

0400-18-.02 UST SYSTEMS: INSTALLATION AND OPERATION.

- (8) Periodic operation and maintenance walkthrough inspections.
 - (a) To properly operate and maintain UST systems, no later than three years after the effective date of this rule, owners and/or operators must meet one of the following:

1. Conduct a walkthrough inspection that, at a minimum, checks the following equipment as specified below . . .

XVII.

The Respondent violated Rule 0400-18-01-.02(3)(a)1(i), which states:

0400-18-01-.02 UST SYSTEMS: INSTALLATION AND OPERATION.

(3) Spill and overfill prevention.

(a) Equipment.

1. Except as provided in parts 2. and 3. of this subparagraph, to prevent spilling and overfilling associated with petroleum transfer to the UST system, owners and/or operators shall use the following spill and overfill prevention equipment:
 - (i) Spill prevention equipment that will prevent release of petroleum to the environment when the transfer hose is detached from the fill pipe (for example, a spill catchment basin)[.]

ORDER AND ASSESSMENT

XVIII.

Pursuant to the authority vested by sections 68-215-107, -114, and -121 of the Act, the Respondent is issued the following Order:

1. The Application for Fund Eligibility for the December 2, 2024, release is approved with a deductible of \$10,000.00.
2. The Respondent shall perform release investigation and remediation activities of Rule 0400-18-01-.06 within the timeframes determined by the Division.
3. If the Respondent fails to comply with this order and/or file an appeal within the timeframes stated below, **the Facility will be placed on the Delivery Prohibition List and the fill ports or dispensers will be red-tagged until compliance is achieved.** Tenn. Code Ann. § 68-215-106(c).
4. **Remedial Action:** The Respondent shall perform all actions necessary to correct the outstanding violations and to bring the Facility into full compliance with regulatory requirements.
 - i. On or before the thirty-first day after receipt of this Order, the Respondent shall submit the most recent quarterly inspection log.

- ii. On or before the thirty-first day after receipt of this Order, the Respondent shall submit updated overfill inspection reports taking into account ball float apparatuses, if applicable.
 - iii. On or before the thirty-first day after receipt of this Order, the Respondent shall submit retesting after replacement for the regular spill bucket that failed integrity testing.
5. **Civil Penalty:** On or before the thirty-first day after receipt of this Order, the Respondent shall pay a total civil penalty of \$11,200.00. This amount consists of the following:
- i. Thirty-two violations assessed at \$100.00 per inspection per dispenser for a total of \$3,200.00 for failing to maintain a log of at least the last twelve months of visual inspections for seeps and drips after removing the dispenser cover.
 - ii. Three violations assessed at \$2,000.00 per tank compartment for a total of \$6,000.00 for failing to inspect overfill prevention equipment at least once every three years.
 - iii. One violation assessed at \$2,000.00 per tank for failing to have spill prevention equipment that will prevent release of petroleum to the environment when the transfer hose is detached from the fill pipe.
 - iv. All payments should be sent to the following address:

**Treasurer, State of Tennessee
Division of Fiscal Services – Consolidated Fees Section
Davy Crockett Tower
500 James Robertson Parkway, 6th Floor
Nashville, Tennessee 37243**

7. Failure to comply with any of the requirements of this Order could lead to further enforcement actions which may include additional civil penalties, assessment of damages and recovery of costs.
8. With the exception of the deadline for filing the appeal of this Order, the Department may extend the compliance dates contained within this Order for a fixed time period for good cause shown by the Respondent. To be eligible for this time extension, the Respondent shall submit a written request to be received in advance of the compliance date. The written request must include sufficient detail to justify such an extension and include at a minimum the anticipated length of the delay. The Department will reply to the Respondent's request in writing, establishing a new deadline for compliance with this Order. Should the Respondent fail to meet the requirements of this Order by the new deadline, then any

associated civil penalty shall be due within thirty days after that deadline. The request for an extension of time does not change the deadline to submit an appeal. See Notice of Rights.

RESERVATION OF RIGHTS

In issuing this Order, the Department does not implicitly or expressly waive any provision of the Act or the regulations promulgated thereunder or the authority to assess costs, civil penalties, or damages incurred by the State against the Respondent. The Department expressly reserves all rights it has at law and in equity to order further corrective action, assess civil penalties or damages, and to pursue further enforcement action including, but not limited to, monetary and injunctive relief. Compliance with this Order will be considered as a mitigating factor in determining the need for future enforcement action.

NOTICE OF RIGHTS

The Respondent may appeal this Order. Tenn. Code Ann. § 68-215-119. To do so, a written petition setting forth the reasons for requesting a hearing must be received by the Commissioner within thirty days of the date the Respondent received this Order or this Order will become final.

If an appeal is filed, an initial hearing of this matter will be conducted by an Administrative Judge as a contested case hearing. Tenn. Code Ann. § 68-215-119; Tenn. Code Ann. §§ 4-5-301 to -326 (the Uniform Administrative Procedures Act); and Tenn. Comp. R. & Regs. 1360-04-01 (the Department of State's Uniform Rules of Procedure for Hearing Contested Cases Before State Administrative Agencies). Such hearings are legal proceedings in the nature of a trial. Individual Respondents may represent themselves or be represented by an attorney licensed to practice law in Tennessee. Artificial Respondents (corporations, limited partnerships, limited liability companies, etc.) cannot engage in the practice of law and therefore may only pursue a contested case through an attorney licensed to practice law in Tennessee. Low-income individuals may be eligible for representation at reduced or no cost through a local bar association or legal aid organization.

At the conclusion of any initial hearing, the Administrative Judge has the authority to affirm, modify, or deny the Order. Furthermore, the Administrative Judge on behalf of the Board has the authority to assess additional damages incurred by the Department including, but not limited to, all docketing expenses associated with the setting of the matter for a hearing and the hourly fees incurred due to the presence of the Administrative Judge and a court reporter.

Any petition for review (appeal) must be directed to the Commissioner of the Department of Environment and Conservation, c/o Jenny L. Howard, General Counsel, Department of Environment and Conservation, Davy Crockett Tower, 500 James Robertson Pkwy, 5th Floor, Nashville, Tennessee 37243. The petition may be mailed or delivered to this address, or it may be sent to TDEC.Appeals@tn.gov. Payments of the civil penalty and/or damages shall be made payable to the "Treasurer, State of Tennessee" and sent to the Division of Fiscal Services – Consolidated Fees Section, Department of Environment and Conservation,

Davy Crockett Tower, 500 James Robertson Pkwy, 6th Floor, Nashville, Tennessee 37243. Technical questions and other correspondence involving compliance issues should be sent to Paige Ottenfeld, Division of Underground Storage Tanks, Davy Crockett Tower, 500 James Robertson Parkway, 7th Floor, Nashville, Tennessee 37243. Attorneys should contact the undersigned counsel of record. **The case number, FDA25-0033, should be written on all correspondence regarding this matter.**

Issued by the Director of the Division of Underground Storage Tanks, Department of Environment and Conservation, on this 13th day of March, 2025.



Stanley R. Boyd, Director
Division of Underground Storage Tanks
Department of Environment and Conservation

Reviewed by:



Grant LeMaster Ruhl
BPR # 036182
Associate Counsel
Department of Environment and Conservation
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