

Region 6 - Enforcement & Compliance Assurance Division
INSPECTION REPORT

Inspection Date(s):	12/11/2024	
Media Program:	Water (CWA)	
Regulatory Program(s)	Water (CWA) Brine Program (Oil & Gas inspection)	
Company Name:	Merit Energy Company, LLC	
Facility Name:	Denman 2-13, Denman 3-13, and Denman-Wright Humphries 1-13 Tank Battery	
Facility Physical Location:	In Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.	
(city, state, zip code)	Alma, AR, 72921	
Mailing address:	13727 Noel Road, Ste. 1200	
(city, state, zip code)	Dallas, TX 75240	
County/Parish:	Crawford County	
Facility Phone Number	972-628-1559	
Facility Contact:	Clay Munger (501-368-4704)	Person Responsible for Operation
	chris.heavner@meritenergy.com	
FRS Number:	N/A	
Identification/Permit Number:	ARU002267	
Media Identifier Number:	N/A	
NAICS:	211111	
SIC:	1311	
Personnel participating in inspection:		
Kerri McCabe (lead)	EPA / Region 6 ECDW	Inspector / Enforcement Officer
Michael Blaha	EPA / Region 6 ECDW	Inspector / Enforcement Officer
Uma Lad	EPA / Region 6 ECDW	Inspector / Enforcement Officer
EPA Lead Inspector Signature/Date		
	Kerri McCabe	Date
Supervisor Signature/Date		
	Jeanne Eckhart	Date

Section I – INTRODUCTION

PURPOSE OF THE INSPECTION

EPA Region 6 inspectors Kerri McCabe (lead), Michael Blaha, and Uma Lad arrived at the Merit Energy Company, LLC / Denman 2-13, Denman 3-13, and Denman-Wright Humphries 1-13 Tank Battery ("facility") at 0825 on 12/11/2024 for an unannounced inspection. The facility is located from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652. No facility representatives were present at the time of the inspection. The inspection was conducted by the authority of the Clean Water Act (CWA) to determine compliance with Environmental Protection Agency (EPA) regulations. There were no other federal, state, or local agency representatives present at the time of the inspection.

FACILITY DESCRIPTION

EPA conducted an inspection on the Merit Energy Company, LLC / Denman 2-13, Denman 3-13, and Denman-Wright Humphries 1-13 Tank Battery, which contained three (3) storage tanks for produced water, one (1) storage tank for additives, four (4) separators, one (1) compressor, and three (3) natural gas (dry) wells, which were producing at the time of the inspection.



Map 1. Aerial imagery (Google Earth dated 08/24/2024) of the Merit Energy Company, LLC / Denman 2-13, Denman 3-13, and Denman-Wright Humphries 1-13 Tank Battery.

Section II - OBSERVATIONS

I observed the Merit Energy Company, LLC / Denman 2-13, Denman 3-13, and Denman-Wright Humphries 1-13 Tank Battery facility and associated signage and secondary containment with storage tanks; see Appendix 1 (Photograph Log), Photo No. 1 through No. 4. For additional GPS location and photo metadata, see Appendix 1.

I observed one large fiberglass storage tank within secondary containment, see Photo No. 5.

I observed the four 2-phase gas-water separators onsite, see Photo No. 6 and No. 10.

I observed three more storage tanks for produced water and additives, see Photo No. 7.

I observed holes in the secondary containment structure and holes/tears in the liner for secondary containment for the tanks referenced above, see Photo No. 8 and No. 9.

I observed the compressor onsite, see Photo No. 11.

Section III – AREAS OF CONCERN

No closing conference was held due to no personnel with Merit Energy Company, LLC being present during the inspection. Areas of concern at the time of the inspection include the following:

- Holes in secondary containment structures and holes/tears in the synthetic liner for secondary containment.

Section IV – FOLLOW UP

Inspector will conduct follow-up phone calls and emails with the company representative(s) over the coming weeks and months to ensure areas of concern are properly addressed.

Section V – LIST OF APPENDICES

Appendix 1 – Photograph Log – 11 photos taken 12/11/2024.

Appendix 1

Photograph Log 11 Photos



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 1

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0395

Orientation: 10° N

Date of Photo: 12/11/2024

Time of Photo: 0835

Latitude: 35.454633

Longitude: -94.145700

Photographer: Kerri McCabe

Description: Looking N, this photo shows the first of three signs at the facility.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 2

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0396

Orientation: 7° N

Date of Photo: 12/11/2024

Time of Photo: 0835

Latitude: 35.454550

Longitude: -94.145750

Photographer: Kerri McCabe

Description: Looking N, this photo shows the second of three signs at the facility.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 3

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0397

Orientation: 32° NNE

Date of Photo: 12/11/2024

Time of Photo: 0835

Latitude: 35.454506

Longitude: -94.145794

Photographer: Kerri McCabe

Description: Looking NNE, this photo shows the third of three signs at the facility.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 4

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0398

Orientation: 206° SSW

Date of Photo: 12/11/2024

Time of Photo: 0836

Latitude: 35.454733

Longitude: -94.145267

Photographer: Kerri McCabe

Description: Looking SSW, this photo shows an overview of the facility.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 5

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0399

Orientation: 306° NW

Date of Photo: 12/11/2024

Time of Photo: 0836

Latitude: 35.454650

Longitude: -94.145400

Photographer: Kerri McCabe

Description: Looking NW, this photo shows a large fiberglass storage tank for produced water inside secondary containment.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 6

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0400

Orientation: 55° NE

Date of Photo: 12/11/2024

Time of Photo: 0837

Latitude: 35.454633

Longitude: -94.145633

Photographer: Kerri McCabe

Description: Looking NE, this photo shows three of four 2-phase separators located at the facility.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 7

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0401

Orientation: 259° W

Date of Photo: 12/11/2024

Time of Photo: 0837

Latitude: 35.454333

Longitude: -94.145867

Photographer: Kerri McCabe

Description: Looking W, this photo shows two additional secondary containment structures with three storage tanks.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 8

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0402

Orientation: 17° NNE

Date of Photo: 12/11/2024

Time of Photo: 0838

Latitude: 35.454333

Longitude: -94.145933

Photographer: Kerri McCabe

Description: Looking NNE, this photo shows holes in the smaller secondary containment structure from Photo No. 7.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 9

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0403

Orientation: 77° ENE

Date of Photo: 12/11/2024

Time of Photo: 0838

Latitude: 35.454350

Longitude: -94.146033

Photographer: Kerri McCabe

Description: Looking ENE, this photo shows a hole in the synthetic liner for the larger secondary containment structure from Photo No. 7.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 10

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0404

Orientation: 209° SSW

Date of Photo: 12/11/2024

Time of Photo: 0838

Latitude: 35.454300

Longitude: -94.145900

Photographer: Kerri McCabe

Description: Looking SSW, this photo shows the fourth of the four 2-phase separators located at the facility.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 11

Location: Alma from Highway 64 E, then Sharp Chapel Rd, then Red Hill Rd, continue onto Denman Rd, off a gas lease road at 35.454526, -94.145652.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0405

Orientation: 151° SSE

Date of Photo: 12/11/2024

Time of Photo: 0839

Latitude: 35.454433

Longitude: -94.145783

Photographer: Kerri McCabe

Description: Looking SSE, this photo shows the compressor located at the facility.