



## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Region 6 • 1201 Elm Street, Suite 500 • Dallas, TX 75270

### FINDINGS OF VIOLATIONS, ORDER FOR COMPLIANCE

Docket Number: CWA-06-2020-1763, NPDES Permit Number: GMG290079

#### STATUTORY AUTHORITY

The following findings are made, and Order issued, under the authority vested in the Administrator of the United States Environmental Protection Agency ("EPA") by Section 309(a) of the Clean Water Act ("the Act"), 33 U.S.C. § 1319(a). The Administrator of EPA delegated the authority to issue this Order to the Regional Administrator of EPA Region 6, who further delegated this authority to the Director of the Enforcement and Compliance Assurance Division.

#### FINDINGS

1. Talos ERT, L.L.C. ("Respondent") is a "person," as that term is defined at Section 502(5) of the Act, 33 U.S.C. § 1362(5), and 40 C.F.R. § 122.2.

2. At all times relevant to this Order ("all relevant times"), Respondent owned or operated offshore oil and gas production and/or exploration facilities located in the Central and Western Portions of the Gulf of Mexico in the Outer Continental Shelf ("facilities"), and is, therefore, an "owner or operator" within the meaning of 40 C.F.R. § 122.2. The mailing address for Respondent is 333 Clay Street, Suite 3300, Houston, TX 77002.

3. At all relevant times, the facilities are "point sources" of "discharges" of "pollutants" to the receiving waters of the Gulf of Mexico, which is considered a "water of the United States" within the meaning of Section 502(12) and (14) of the Act, 33 U.S.C. § 1362(12), (14), and 40 C.F.R. § 122.2.

4. Because Respondent owns or operates facilities that act as point sources of discharges of pollutants to a water of the United States, Respondent and the facilities are subject to the Act and the National Pollutant Discharge Elimination System ("NPDES") program.

5. Under Section 301 of the Act, 33 U.S.C. § 1311, it is unlawful for any person to discharge any pollutant from a point source to waters of the United States, except with the authorization of, and in compliance with, a NPDES permit issued pursuant to Section 402 of the Act, 33 U.S.C. § 1342.

6. Section 402(a) of the Act, 33 U.S.C. § 1342(a), provides that the Administrator of EPA may issue permits under the NPDES program for the discharge of pollutants from point sources to waters of the United States. Any such discharge is subject to the specific terms and conditions prescribed in the applicable permit.

7. Pursuant to Section 402(a) of the Act, 33 U.S.C. § 1342(a), EPA issued the "Final NPDES General Permit for New and Existing Sources and New Dischargers in the Offshore Subcategory of the Oil and Gas Extraction Category for the Western Portion of the Outer Continental Shelf of the Gulf of Mexico" (GMG290000) ("permit") which was reissued and took effect in its current form on October 1, 2017, 77 Fed. Reg. 61605. The permit authorizes discharges from new sources, existing sources, and new dischargers in the Offshore Subcategory of the Oil and Gas Extraction Point Source Category (40 C.F.R. Part 435, Subpart A) by operators of lease blocks that are located in Federal Waters of the Central and Western Portions of the Gulf of Mexico. The permit does not authorize discharges from facilities located in, or discharging to, the territorial seas of Louisiana or Texas or from facilities defined as "coastal," "onshore," or "stripper" (40 C.F.R. Part 435, Subparts C, D, and E). The permit does, however, authorize the discharge of produced water to the Central and Western portions of the Federal Waters of the Gulf of Mexico from wells located in lease blocks, and is available on the Internet at [https://www.epa.gov/sites/production/files/2017-09/documents/2017\\_final\\_gp\\_for\\_fr\\_091817.pdf](https://www.epa.gov/sites/production/files/2017-09/documents/2017_final_gp_for_fr_091817.pdf).

8. Part I.B of the permit places certain limitations on the quality and quantity of effluent discharges by Respondent. The relevant discharge limitations are listed in Attachment A, which is incorporated by reference.

9. Part I of the permit requires Respondent to sample and test its effluent and monitor its compliance with permit conditions according to specific procedures in order to determine the facilities' compliance or noncompliance with the permit and applicable regulations. Part II.D of the permit requires Respondent to file with EPA certified Discharge Monitoring Reports ("DMRs") of the results of monitoring, and Noncompliance Reports when appropriate.

10. A DMR file review was conducted by representatives of the EPA, for the monitoring period of January 1, 2018, to March 14, 2020. The certified DMRs filed by Respondent to EPA show violations at the facility exceeding effluent limitations established in Part 1.B of the GMG290000 permit. The effluent limitations are outlined in Attachment A of this order.

11. Part I.B. of permit was violated in that Respondent reported an unauthorized sheen for deck drainage free oil and had an exceedance of permit requirements for produced water oil and grease. The unauthorized sheen for deck drainage free

oil and the exceedances for produced water oil and grease are specified in Attachment B, which is incorporated by reference.

12. Part II.D.4 of the permit was violated in that Respondent failed to submit a reporting requirement on the DMRs for Discharge Drill Cuttings, and Base Fluids Retained by the submission deadline to EPA following the II.C.7.b quarterly monitoring periods. The DMR non-receipt violations are specified in Attachment C, which is incorporated by reference.

13. Each violation of the conditions of the permit was a violation of Section 301 of the Act, 33 U.S.C. § 1311.

#### SECTION 309(a)(3) COMPLIANCE ORDER

Based on the foregoing Findings and pursuant to the authority of Section 309(a)(3) of the Act, EPA hereby orders Respondent to take the following action:

A. Within thirty (30) days of the effective date of this Order, Respondent shall take such steps as necessary to comply with the effluent limitation provisions of the permit, also outlined in Attachment A.

B. Within thirty (30) days of the effective date of this Order, Respondent must certify compliance with the terms and conditions of the permit.

C. Within thirty (30) days of the effective date of this Order, Respondent shall provide EPA with a list of all mechanical, management and operational deficiencies and a narrative describing the specific actions taken to correct all cited violations.

D. In the event it will take Respondent longer than thirty (30) days to achieve compliance, a listing of all non-compliance related deficiencies and a schedule for repair/correction for each deficiency shall be submitted to the EPA for review and approval.

E. Any approved compliance schedule will be incorporated and reissued in a future administrative order.

F. To ask questions or comment on this matter, please contact Ms. Sharon Angove, f my staff, at (214) 665-6472.

G. Any information or correspondence submitted by Respondent to EPA under this Order shall be addressed to the following:

Ms. Sharon Angove, Enforcement Officer  
Water Enforcement Branch (ECDWE)  
EPA, Region 6  
1201 Elm Street, Suite 500  
Dallas, TX 75270  
angove.sharon@epa.gov

#### GENERAL PROVISIONS

Respondent may seek federal judicial review of the Order pursuant to Chapter 7 of the Administrative Procedure Act, 5 U.S.C. §§ 701–706, which states the scope of such review.

Issuance of this Section 309(a)(3) Compliance Order shall not be deemed an election by EPA to forego any administrative or judicial, civil or criminal action to seek penalties, fines, or any other relief appropriate under the Act for the violations cited herein, or other violations that become known. EPA reserves the right to seek any remedy available under the law that it deems appropriate. Failure to comply with this Section 309(a)(3) Compliance Order or the Act can result in further administrative action, or a civil judicial action initiated by the United States Department of Justice.

This Order does not constitute a waiver or modification of the terms or conditions of Respondent's NPDES permit which remain in full force and effect.

Compliance with the terms and conditions of this Order does not relieve Respondent of its obligations to comply with any applicable federal, state, or local law or regulation.

The effective date of this Order is the date it is received by Respondent.

July 6, 2020

Date

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Cheryl T. Seager, Director  
Enforcement and  
Compliance Assurance Division

