

Region 6 - Enforcement & Compliance Assurance Division
INSPECTION REPORT

Inspection Date(s):	01/15/2025	
Media Program:	Water (CWA)	
Regulatory Program(s)	Water (CWA) NPDES Industrial Stormwater (MSGP) Program	
Company Name:	Capstone Oilfield Disposal of Arkansas, LLC	
Facility Name:	Flanagan, Tom 1 SWD Tank Battery	
Facility Physical Location:	In Cecil from Highway 96, then Highway 41, then right onto Highway 32 (Sandstone Ridge Road), then right onto a gas lease road at 35.388535, - 93.965165.	
(city, state, zip code)	Ozark, AR, 72930	
Mailing address:	P.O. Box 698	
(city, state, zip code)	Hennessey, OK 73742	
County/Parish:	Franklin County	
Facility Phone Number	405-853-7170	
Facility Contact:	Chase Holder (405-853-1540)	Person Responsible for Operation
	cholder4@icloud.com	
FRS Number:	N/A	
Identification/Permit Number:	ADEQ AFIN 24-00109 for the facility; ARR001252	
Media Identifier Number:	N/A	
NAICS:	213112	
SIC:	1389	
Personnel participating in inspection:		
Kerri McCabe (lead)	EPA / Region 6 ECDW	Inspector / Enforcement Officer
Amy Huneycutt	ADEQ – Office of Water Quality	Inspector Supervisor
EPA Lead Inspector Signature/Date		
	Kerri McCabe	Date
Supervisor Signature/Date		
	Jeanne Eckhart	Date

Section I – INTRODUCTION

PURPOSE OF THE INSPECTION

EPA Region 6 Inspector Kerri McCabe (lead) arrived at the Capstone Oilfield Disposal of Arkansas, LLC / Flanagan, Tom 1 SWD Tank Battery (“facility”) at 1315 on 01/15/2025 for an announced inspection. The facility is located outside Cecil, Franklin County, Arkansas from Highway 96, then Highway 41, then right onto Highway 32 (Sandstone Ridge Road), then right onto a gas lease road at 35.388535, -93.965165. No facility representatives were present at the time of the inspection. Ms. Amy Huneycutt, Inspector Supervisor with ADEQ – Office of Water Quality – Compliance Branch, was present at the time of the inspection. The inspection was conducted by the authority of the Clean Water Act (CWA) and the National Pollution Discharge Elimination System (NPDES) Industrial Stormwater General Permit (IGP; ARR001252) issued by the Arkansas Division of Environmental Quality (hereafter “ADEQ”) to determine compliance with Environmental Protection Agency (EPA) regulations.

Details of the latest IGP inspection conducted by ADEQ – Office of Water Quality on 02/22/2024 can be found at the following hyperlink:

<https://www.adeq.state.ar.us/downloads/WebDatabases/InspectionsOnline/129334-insp.pdf>

FACILITY DESCRIPTION

EPA conducted an inspection on the Capstone Oilfield Disposal of Arkansas, LLC / Flanagan, Tom 1 SWD Tank Battery, which contained one (1) tank battery, eight (8) storage tanks for produced water, one (1) unloading containment area, and one (1) Class II saltwater disposal (SWD) injection well.



Map 1. Aerial imagery (Google Earth dated 11/07/2023) of the Capstone Oilfield Disposal of Arkansas, LLC / Flanagan, Tom 1 SWD Tank Battery.

Section II – OBSERVATIONS

I observed two (2) tanks outside secondary containment, and one (1) tank is missing a lid; see Appendix 1 (Photograph Log), Photos No. 1 and No. 2. For additional GPS location and photo metadata, see Appendix 1.

Section III – AREAS OF CONCERN

No closing conference was held due to no personnel with Capstone Oilfield Disposal of Arkansas, LLC being present during the inspection. Areas of concern at the time of the inspection include the following:

- One (1) tank outside secondary containment with a missing lid, see Part 1, 1.7 of the general permit.

Section IV – FOLLOW UP

Inspector will conduct follow-up phone calls 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 – 2 photos taken 01/15/2025.

Appendix 2 – ADEQ IGP No-Exposure Check Sheet

Appendix 1

Photograph Log

2 Photos



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 1

Location: From Highway 96, then Highway 41, then right onto Highway 32 (Sandstone Ridge Road), then right onto a gas lease road at 35.388535, -93.965165.

City: Cecil (Ozark)

County/Parish: Franklin

State: Arkansas



Photo File Name: 100-0445

Orientation: 16° NNE

Date of Photo: 01/15/2025

Time of Photo: 1336

Latitude: 35.388784

Longitude: -93.964902

Photographer: Kerri McCabe

Description: Looking NNE, this photo shows two storage tanks outside containment; one tank is open.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 2

Location: From Highway 96, then Highway 41, then right onto Highway 32 (Sandstone Ridge Road), then right onto a gas lease road at 35.388535, -93.965165.

City: Cecil (Ozark)

County/Parish: Franklin

State: Arkansas



Photo File Name: 100-0447

Orientation: 85° E

Date of Photo: 01/15/2025

Time of Photo: 1337

Latitude: 35.388817

Longitude: -93.964933

Photographer: Kerri McCabe

Description: Looking E, this photo shows one tank from Photo No. 1 with an open top.

Appendix 2

No-Exposure Check Sheet

No-Exposure Exclusion Verification		
Are any of the following materials or activities exposed to precipitation now or in the foreseeable future?		
Answering "Yes" to any of these questions indicates the facility is <u>not</u> eligible for the No-Exposure Exclusion.		
a. Using, storing, or cleaning industrial machinery or equipment and areas where residuals from using, storing, or cleaning industrial machinery or equipment remain and are exposed to stormwater?	Y	☒ N
Comments:		
b. Are materials or residuals on the ground or in stormwater inlets from spills/leaks?	Y	☒ N
Comments:		
c. Are materials or products from past industrial activity exposed?	Y	☒ N
Comments:		
d. Is material handling equipment exposed except adequately maintained vehicles?	Y	☒ N
Comments:		
e. Are materials or products during loading/unloading or transporting activities exposed?	Y	☒ N
Comments:		
f. Materials or products stored outdoors except final products intended for outside use (e.g., new cars) where exposure to stormwater does not result in the discharge of pollutants?	Y	☒ N
Comments:		
g. Materials contained in open, deteriorated, or leaking storage drums, barrels, tanks, and similar containers?	☒ Y	N
Comments:		
h. Materials or products handled/stored on roads or railways owned or maintained by the discharger?	Y	☒ N
Comments:		
i. Waste materials exposed except waste in covered, non-leaking containers (e.g., dumpsters)?	Y	☒ N
Comments:		
j. Application or disposal of process wastewater unless otherwise permitted?	Y	☒ N
Comments: <u>Permitted for saltwater and other oilfield liquid wastes</u>		
k. Particulate matter or visible deposits of residuals from roof stacks and/or vents not otherwise regulated (i.e., under an air quality control permit) and evident in the stormwater outflow?	Y	☒ N
Comments: <u>SWD is temporarily shut down.</u>		