



Region 6 - Enforcement & Compliance Assurance Division
INSPECTION REPORT

Inspection Date(s):	03/11/2024	
Media Program:	Water	
Regulatory Program(s)	Clean Water Act	
Company Name:	LaRay Oil, LLC	
Facility Name:	Morgan #1	
Facility Physical Location:	Latitude: 33.33494, Longitude: -92.50977	
(city, state, zip code)	Calion, AR, 71724	
Mailing address:	5028 Highway 7 South	
(city, state, zip code)	Louann, Arkansas, 71751	
County/Parish:	Calhoun County	
Facility Phone Number	870-918-9859	
Facility Contact:	Jimmy R. Newton larayoilco@sat-co.net	
FRS Number:	NA	
Identification/Permit Number:	ARU002233	
Media Identifier Number:	NA	
NAICS:	211111	
SIC:	1311	
Personnel participating in inspection:		
Uma Lad	EPA/Region 6 ECDW	Enforcement Officer/Inspector
Kerri McCabe	EPA/Region 6 ECDW	Enforcement Officer/Inspector
Michael Blaha	EPA/Region 6 ECDW	Enforcement Officer/Inspector
EPA Lead Inspector Signature/Date		
	Uma Lad	Date
Supervisor Signature/Date		
	Jeanne Eckhart	Date

Section I – INTRODUCTION**PURPOSE OF THE INSPECTION**

EPA Region 6 inspector Michael Blaha, Kerri McCabe, and I, Uma Lad arrived at the LaRay Oil, LLC, Morgan #1, located at the intersection of East Calhoun County Road 244 and Oil Field Road 10 (33.33494, -92.50977) at 4:00 PM on March 11, 2024, for an unannounced inspection. No facility representatives were present at the time of the inspection. The inspection was conducted under 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 LaRay Oil Company, Morgan #1, which consisted of 14 storage tanks.

Section II - OBSERVATIONS

I observed the facility sign, secondary containment, pipes, valves, and tanks located at the facility; see Appendix 1 (photo log), photo No. 1 and No. 2. For additional GPS location and photo metadata, see Appendix 1.

I observed a gap at the base of one (1) crude oil storage tank and corrosion at the base of one (1) saltwater and crude oil storage tank, see photo No. 3 and No. 4.

Outside of secondary containment, I observed standing water that leached through secondary containment with a total dissolved solids (TDS) reading of 1,427 mg/L, see photo No. 5 through No. 7.

I observed a capped secondary containment discharge pipe that was leaking, see photo No. 8 through No. 10.

In a pond at the southeast corner of the facility, I observed a TDS reading of 177.4 mg/L, see photo No. 11.

In a water body north of the facility and across East Calhoun County Road 244, I observed a background TDS reading of 55.9 mg/L, see photo No. 12.

All TDS field readings observed throughout the inspection were taken with a properly calibrated, EPA-issued, YSI Pro 30 conductivity meter.

Section III – AREAS OF CONCERN

No closing conference was held due to no LaRay Oil, LLC staff being present during the inspection. Areas of concern at the time of the inspection include the gap at the base of the crude oil storage tank, corrosion at the base of the saltwater and crude oil storage tank, the leaking secondary containment discharge valve, and the elevated TDS reading outside of secondary containment in the leached water from the secondary containment berm.

Section IV – FOLLOW UP

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

Section V – LIST OF APPENDICES

Appendix 1 – Photo Log – 12 photos taken on 03/11/2024

Appendix 1

Photograph Log

12 Photos



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 1

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010151**Orientation:** E**Date of Photo:** 03/11/2024**Time of Photo:** 4:51 PM**Latitude:** 33.33494**Longitude:** -92.50951**Photographer:** Kerri McCabe**Description:** This photo was taken looking east and shows the facility sign.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 2

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010145**Orientation:** E**Date of Photo:** 03/11/2024**Time of Photo:** 4:38 PM**Latitude:** 33.33494**Longitude:** -92.50976**Photographer:** Kerri McCabe**Description:** This photo was taken looking east and shows an overview of the facility.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 3

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010147**Orientation:** N**Date of Photo:** 03/11/2024**Time of Photo:** 4:49 PM**Latitude:** 33.33491**Longitude:** -92.50951**Photographer:** Kerri McCabe**Description:** This photo was taken looking north and shows a gap at the base of a crude oil tank.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 4

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010149**Orientation:** NW**Date of Photo:** 03/11/2024**Time of Photo:** 4:51 PM**Latitude:** 33.33492**Longitude:** -92.50945**Photographer:** Kerri McCabe**Description:** This photo was taken looking northwest and shows corrosion at the base of a tank storing saltwater and crude oil.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 5

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010152**Orientation:** N/A**Date of Photo:** 03/11/2024**Time of Photo:** 4:53 PM**Latitude:** 33.33487**Longitude:** -92.50946**Photographer:** Kerri McCabe**Description:** This photo shows a TDS reading of 1,427 mg/L in standing water that leached through secondary containment.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 6

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010153**Orientation:** NW**Date of Photo:** 03/11/2024**Time of Photo:** 4:53 PM**Latitude:** 33.33483**Longitude:** -92.50942**Photographer:** Kerri McCabe**Description:** This photo was taken looking northwest and shows standing water that leached through secondary containment with the TDS reading of 1,427 mg/L.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 7

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010155**Orientation:** E**Date of Photo:** 03/11/2024**Time of Photo:** 4:54 PM**Latitude:** 33.33482**Longitude:** -92.50944**Photographer:** Kerri McCabe**Description:** This photo was taken looking west and shows the standing water that leached through secondary containment and vegetation in the area.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 8

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010156**Orientation:** NW**Date of Photo:** 03/11/2024**Time of Photo:** 4:57 PM**Latitude:** 33.33493**Longitude:** -92.50902**Photographer:** Kerri McCabe**Description:** This photo was taken looking northwest and shows a capped secondary containment discharge pipe that is leaking.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 9

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010158**Orientation:** N**Date of Photo:** 03/11/2024**Time of Photo:** 4:57 PM**Latitude:** 33.33493**Longitude:** -92.50905**Photographer:** Kerri McCabe**Description:** This photo was taken looking north and shows a capped secondary containment discharge pipe that is leaking.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 10

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010159**Orientation:** N**Date of Photo:** 03/11/2024**Time of Photo:** 4:57 PM**Latitude:** 33.33494**Longitude:** -92.50905**Photographer:** Kerri McCabe**Description:** This photo was taken looking north and shows erosion from the leaking secondary containment discharge valve.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 11

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010160**Orientation:** N/A**Date of Photo:** 03/11/2024**Time of Photo:** 4:58 PM**Latitude:** 33.33491**Longitude:** -92.50896**Photographer:** Kerri McCabe**Description:** This photo shows a TDS reading of 177.4 mg/L from a pond at the southeast corner of the facility.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Photograph Log

Photo No. 12

Location: 33.33494, -92.50977		
City: Calion	County/Parish: Calhoun	State: Arkansas

**Photo File Name:** R0010161**Orientation:** N/A**Date of Photo:** 03/11/2024**Time of Photo:** 5:03 PM**Latitude:** 33.33558**Longitude:** -92.50889**Photographer:** Kerri McCabe**Description:** This photo shows a background TDS reading of 55.9 mg/L from a pond north of the facility, across from East Calhoun County Road 244.