

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 1-13 and Denman 4-13 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 35.455400, -94.145362.	
(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) chris.heavner@meritenergy.com	Person Responsible for Operation
FRS Number:	N/A	
Identification/Permit Number:	ARU002268	
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

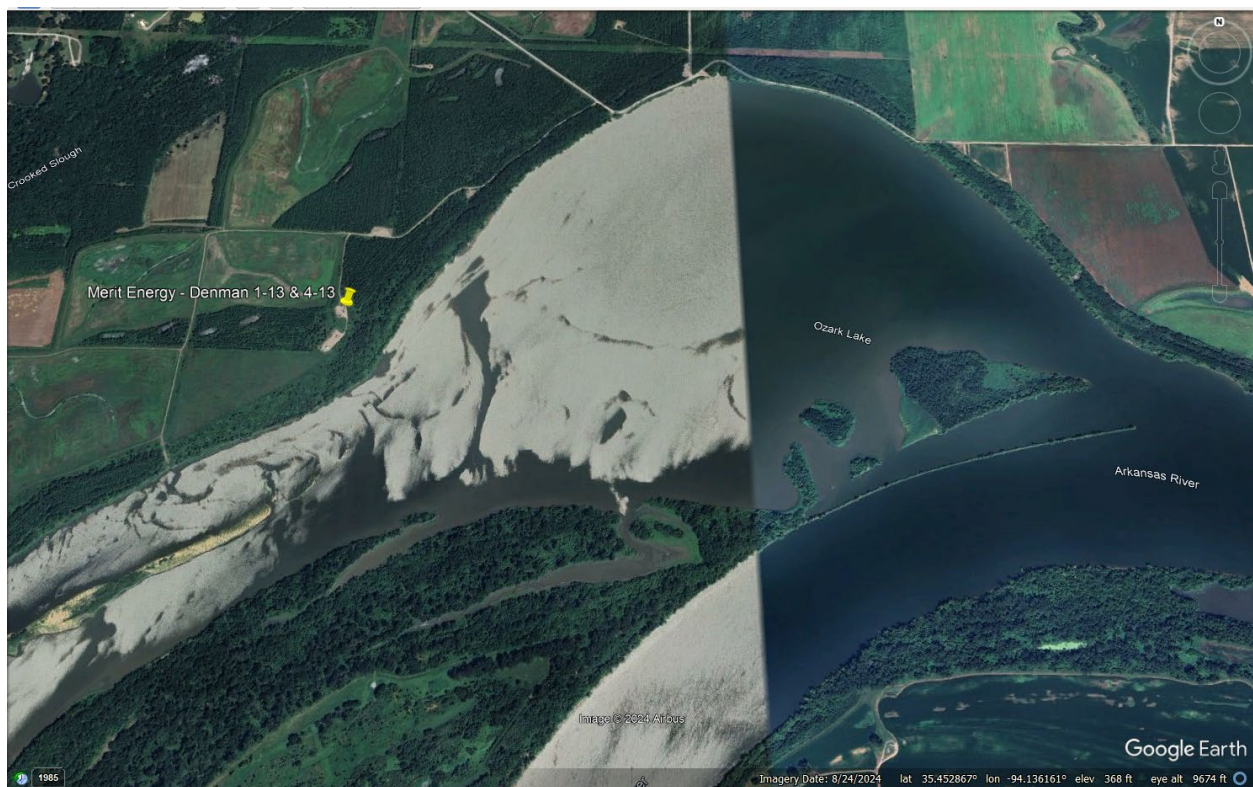
Section I – INTRODUCTION

PURPOSE OF THE INSPECTION

EPA Region 6 inspectors Kerri McCabe (lead), Michael Blaha, and Uma Lad arrived at the Merit Energy Company, LLC / Denman 1-13 and Denman 4-13 Tank Battery ("facility") at 0848 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 35.455400, -94.145362. 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 1-13 and Denman 4-13 Tank Battery, which contained one (1) storage tank for produced water, two (2) separators, one (1) LACT unit, and two (2) 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 1-13 and Denman 4-13 Tank Battery.

Section II – OBSERVATIONS

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

I observed one fiberglass storage tank within secondary containment, see Photo No. 4.

I observed holes/tears in the liner for secondary containment for the tank referenced above, see Photo No. 5.

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

I observed the LACT unit onsite, see Photo No. 7.

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/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 – 7 photos taken 12/11/2024.

Appendix 1

Photograph Log 7 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 35.455400, -94.145362.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0406

Orientation: 40° NE

Date of Photo: 12/11/2024

Time of Photo: 0847

Latitude: 35.455433

Longitude: -94.145383

Photographer: Kerri McCabe

Description: Looking NE, this photo shows one of the two 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 35.455400, -94.145362.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0407

Orientation: 64° ENE

Date of Photo: 12/11/2024

Time of Photo: 0847

Latitude: 35.455383

Longitude: -94.145333

Photographer: Kerri McCabe

Description: Looking ENE, this photo shows the second of the two 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 35.455400, -94.145362.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0408

Orientation: 355° N

Date of Photo: 12/11/2024

Time of Photo: 0847

Latitude: 35.455233

Longitude: -94.145217

Photographer: Kerri McCabe

Description: Looking N, this photo shows an overview of 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 35.455400, -94.145362.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0409

Orientation: 184° S

Date of Photo: 12/11/2024

Time of Photo: 0848

Latitude: 35.455300

Longitude: -94.145367

Photographer: Kerri McCabe

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



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 35.455400, -94.145362.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0410

Orientation: 287° WNW

Date of Photo: 12/11/2024

Time of Photo: 0848

Latitude: 35.455200

Longitude: -94.145433

Photographer: Kerri McCabe

Description: Looking WNW, this photo shows holes in the synthetic liner for the secondary containment structure from Photo No. 4.



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 35.455400, -94.145362.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0411

Orientation: 343° NNW

Date of Photo: 12/11/2024

Time of Photo: 0849

Latitude: 35.455317

Longitude: -94.145483

Photographer: Kerri McCabe

Description: Looking NNW, this photo shows two 2-phase gas-water 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 35.455400, -94.145362.

City: Alma

County/Parish: Crawford

State: AR



Photo File Name: 100-0412

Orientation: 320° NW

Date of Photo: 12/11/2024

Time of Photo: 0849

Latitude: 35.455400

Longitude: -94.145483

Photographer: Kerri McCabe

Description: Looking NW, this photo shows the LACT unit(s) located at the facility.