



REGION 6
DALLAS, TX 75270

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REGIONAL HEARING CLERK
EPA REGION 6

EXPEDITED SETTLEMENT AGREEMENT (ESA)

DOCKET NO: CAA-06-2026-3500

This ESA is issued to: Black Bear Midstream LLC

At: 1716 Friendship Road, Frierson, Louisiana 71027

for violating Section 112(r)(7) of the Clean Air Act

The United States Environmental Protection Agency (EPA), through its delegated official, the Director of the Enforcement and Compliance Assurance Division, and Black Bear Midstream LLC (Respondent) have agreed to a settlement of this action before filing a complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. Part 22.

This ESA is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act (CAA), 42 U.S.C. § 7413(d). Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), the Administrator and the Attorney General jointly determined that cases which meet the criteria set forth in EPA's policies¹ are appropriate for administrative penalty action.

ALLEGED VIOLATION

On October 16, 2023, EPA Risk Management Program Reporting Center sent a letter to Respondent, notifying Respondent of its failure to update the Risk Management Plan on file with EPA for its facility located at 1716 Friendship Road, Frierson, Louisiana 71027 (the "Facility"). Facilities subject to the Risk Management Program (RMP) regulations at 40 C.F.R. Part 68 are required to submit an updated Risk Management Plan at least once every five years. EPA's review indicates that the update for the Facility was not submitted by the required due date of September 28, 2023. EPA has found that Respondent violated the RMP regulation and Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), as follows:

- 1) **40 C.F.R. § 68.190(b)(1) Updates** - *The owner or operator shall review and update the RMP as specified in paragraph (b) of this section and submit it in the method and format to the central point specified by EPA as of the date of submission. (b) The owner or operator of a stationary source shall revise and update the RMP submitted under 40 C.F.R. § 68.150 as follows (1) At least once every five years from the date of its initial submission or most recent update required by paragraphs (b)(2) through (b)(7) of this section, whichever is later.*

¹ "Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Provisions, 40 C.F.R. Part 68" (2004); and "Changes to Restrictions on the Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Provisions" (2013).

SETTLEMENT

In consideration of the factors set forth in Section 113(e) of the CAA, 42 U.S.C. § 7413(e), the criteria set forth in EPA's policies, and upon consideration of the entire record, EPA and Respondent enter into this ESA to settle the violation, described above, for the total penalty amount of **\$2,000**.

This settlement is subject to the following terms and conditions:

Respondent, by signing below, waives any objections that it may have regarding jurisdiction, neither admits nor denies the specific factual allegations contained herein, and consents to the assessment of the penalty as stated above. Respondent waives its rights to a hearing afforded by Section 113(d)(2)(A) of the CAA, 42 U.S.C. § 7413(d)(2)(A), to appeal this ESA, to any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and to any right to challenge the lawfulness of the final order accompanying this ESA. Each party to this action shall bear its own costs and fees, if any. Respondent also certifies, subject to civil and criminal penalties for making a false statement to the United States Government, that Respondent has corrected the violation listed above and will pay the full penalty of **\$2,000**. Respondent shall pay the penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website: <https://www.epa.gov/financial/makepayment>.

For additional instructions see: <https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

In accordance with the March 25, 2025, Executive Order on Modernizing Payments To and From America's Bank Account, Respondent shall pay using one of the electronic payments and will not pay with a paper check.

The Docket Number of this ESA is **CAA-06-2026-3500** and must be included on the payment. **The signed ESA and a copy of the payment must be sent by email to: spillman.michael@epa.gov**. This payment should be made only after the ESA is completed and returned to you with signatures from both sides.

Full payment of the ESA penalty shall only resolve Respondent's civil liability for the violation alleged above. The EPA does not waive any other enforcement action by EPA for any other past, present, or future violations under the CAA or any other statute.

If the signed ESA is not returned to EPA Region 6 at the above e-mail address in correct form by Respondent within 30 days of the date of the receipt of this ESA, the proposed ESA is withdrawn, without prejudice to EPA's ability to file additional enforcement actions for the violation identified in this ESA.

This ESA is binding on EPA and Respondent and is effective upon filing with the Regional Hearing Clerk.

EPA and Respondent agree to the use of electronic signatures for this matter. EPA and Respondent further agree to electronic service of this ESA, pursuant to 40 C.F.R. § 22.6, by email to the following addresses:

To EPA: spillman.michael@epa.gov

To Respondent: pespenan@dgoc.com

SIGNATURE BY RESPONDENT:

Signature: Paul M. Espenan

Date: 12/05/2025

Name (print): Paul M. Espenan

Title (print) SVP EHS&R

Cost of Corrective Actions: \$0

Respondent's Brief Description of Complying Action: _____

We were not aware of this matter because a former employee had not updated the email address
from the former owner of this facility. The required report was filed within 24 hours of the actual
notification.

If you need additional space or would like to provide additional supporting documentation, please attach to this document.

SIGNATURE BY EPA:

Cheryl T. Seager
Director
Enforcement and
Compliance Assurance Division
U.S. EPA, Region 6

It is so ORDERED. This Order shall become effective upon filing of the fully executed ESA Docket No. CAA-06-2026-3500 with the Regional Hearing Clerk.

Thomas Rucki
Regional Judicial Officer

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Expedited Settlement Agreement was filed with me, the Regional Hearing Clerk, U.S. EPA - Region 6, 1201 Elm Street, Suite 500, Dallas, Texas 75270-2102, and that I sent a true and correct copy on this day in the following manner to the email addresses:

Copy via Email to EPA:

spillman.michael@epa.gov

Copy via Email to Respondent:

pespenan@dgoc.com

Cc:

jpigman@dgoc.com

jsbailey@dgoc.com

jstovall@dgoc.com

Paul Espenan
Senior Vice President EHS&R
Diversified Energy
1600 Corporate Drive
Birmingham, Alabama 35242

Regional Hearing Clerk
U.S. EPA, Region 6