

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
NOTICE OF FEDERAL INTEREST IN AN OIL POLLUTION DISCHARGE

Date 4/17/2015

Mr. Bruce Smith
Engineering Manager
Mississippi Resources LLC
3445 N Causeway Blvd, Suite 501
Metairie, LA 70002

Re: Follow up Written Notice of Federal Interest in an Oil Pollution Discharge at the MS Resources Oil Spill in Covington County, Mississippi

Dear Mr. Smith

This letter is a written follow up for a Notice of Federal Interest that was issued verbally on the afternoon of 4/16/2015 to Mr. Bruce Smith of Mississippi Resources LLC.

This letter is to inform you that a discharge of oil has occurred as a result of a wellhead failure at the MS Resources Facility Collins, Covington County, Mississippi. Latitude: 31.685100 Longitude: - 89.468047. The discharge has flowed down the adjacent hillside into the Oakey Woods Creek. The discharge of a prohibited quantity of oil or a hazardous substance is a violation of the Clean Water Act (CWA), as amended by the Oil Pollution Act of 1990 (OPA). Under the OPA, the responsible party is liable for clean-up costs and damages resulting from the incident. A responsible party is the owner, operator, or person in charge of a facility or vessel from which the oil is discharged or poses a threat of discharge.

As the responsible party, you should clean up the discharged oil and/or take other actions to prevent or mitigate or minimize the threat of a discharge of oil. If you do not act, the United States may respond for you and take such actions that are necessary to remove the discharged oil or to minimize or mitigate the threat. **The U.S. costs to respond to this incident will be billed to, and recovered from, the responsible party.**

You are advised that a responsible party may lose the opportunity to limit their liability for cleanup under OPA if the responsible party fails or refuses to provide all reasonable cooperation and assistance requested by the responsible official in connection with response activities. A responsible party who fails to comply with an On-Scene Coordinator's (OSC) verbal or written directive to remove the discharge or to an administrative order to protect the public health and welfare may be subject to additional penalties. Under the CWA, a civil penalty can amount up to \$37,500 per day of violation or up to three times the costs incurred by the Oil Discharge Liability Trust Fund to conduct response actions.

A response is being done properly if it is done in accordance with federal and state statutes and regulations and in accordance with the criteria of the National Oil and Hazardous Substances Pollution Contingency Plan (NCP). If you undertake the response action, the adequacy of such action shall be evaluated by the OSC. Under the CWA, a responsible party could also be liable for penalties for discharges of oil which enter any navigable waters of the United States and adjoining shorelines. These penalties would be in addition to penalties and liability for failure to properly remove the discharge. A responsible party's actions may be taken into account in determining the amount of any penalty assessed as a result of the incident.

Please find the attachment described as "20 Questions". Please submit answers to those questions with supporting documentation within the next 30 days from receipt of this notice.

If you have any questions regarding this incident, please contact me at the EPA Region 4 South Mississippi/SW Alabama Outpost. I can be reached via my cell at (404)606-2223 or via email at francendese.leo@epa.gov.

Respectfully,

A handwritten signature in blue ink, appearing to read "Leo Francendese", with a long horizontal flourish extending to the right.

Leo Francendese
On Scene Coordinator (OSC)
U.S. EPA Region 4

Acknowledgement of Receipt

A handwritten signature in blue ink, appearing to read "Bruce A. Smith", written in a cursive style.

Mr. Bruce Smith
Engineering Manager
Mississippi Resources LLC
3445 N Causeway Blvd, Suite 501
Metairie, LA 70002