

1 Department of Mines, Minerals and Energy
2 Division of Gas and Oil
3 P. O. Box 1416
4 230 Charwood Drive
5 Abingdon, VA 24212
6 Telephone: (540) 676-5423
7 Fax: (540) 676-5459

8 B. T. Fulmer, Director, Division of Gas and Oil

9
10 By Decision of the
11
12 Director, Division of Gas and Oil

13 Department of Mines, Minerals and Energy)

14 Division of Gas and Oil)

15 vs.)

16 Cabot Oil and Gas Corporation)

17 Notice of Recommendation for Civil Charge

18 Docket # VGOB 98/04/21-0646

19 **Proposed Action:**

20 Cabot Oil and Gas Corporation is hereby served notice that on April 21, 1998, the Division of Gas and Oil
21 proposes to bring before the Virginia Gas and Oil Board a "Recommendation of Civil Charges" pursuant to Board Order
22 VGOB 92/05/29-0226, herein after referred as the Civil Charge Procedural Rule for permitted gas and oil operations
23 COGC #14, Permit #3280, File # TA-0046.

24 The Director has reviewed the evidence, history and recommendation of the Area Inspector, Mr. Gary Eide, in
25 regards to events and circumstances surrounding the basis of the recommendation and the basis of the calculation
26 of recommended penalties and concurs with the findings of the Area Inspector. Therefore, the Director finds that the
27 matter shall be brought before the Virginia Gas and Oil Board at its April 21, 1998 hearing.

28 **Basis of Action:**

29 The Area Inspector, on February 13, 1998, notified site representatives, verbally, at the site of a violation of 4
VAC 25-150-260, § C.17. During the inspection, the permittee began work on correcting the violation in the presence of

1 the Area Inspector. Cabot Oil and Gas Corporation was notified of the violation by written documentation sent by
2 certified mail on February 13, 1998 addressed to Mr. Dan Grove. The Notice of Violation instructed the permittee to
3 install additional erosion and sediment control measures along the length of the access road to the permitted site,
4 COGC #14, Permit #3280, File #TA-0046 and continue abating the Notice of Violation. It was also noted in the inspection
5 that the permittee has tracked mud from the permitted site onto the surface of the state highway. The Notice of
6 Violation required the permittee to abate the violation by February 18, 1998.

7 A follow up inspection was conducted on February 19, 1998. The Area Inspector found during his inspection
8 that any interim measures to abate the violation had not corrected the problems and the access road continued to
9 deteriorate. The permittee had continued to utilize the road, which had resulted in further off site impacts. The
10 permittee also continued to track mud upon the state highway. The Area Inspector determined that continued use of
11 the access road would result in further deterioration of the road and existing erosion and sediment control measures
12 and a continued increase of significant off site impact. The Area Inspector issued a Closure Order #26 on Permit
13 #3280 and required all persons and or equipment to be withdrawn from the site until such time that Cabot can correct
14 the existing conditions.

15
16 **Basis of Civil Charge Recommendation:**

<u>Factor Category</u>	<u>Point Determination</u>	<u>Recommended Points</u>
Seriousness Point Determination	Significant off site impacts has occurred well beyond the permitted site. Continuation of permitted activities would greatly increase the potential for further off site impacts. Continued tracking of mud onto the state highway would cause potential risk of hazard to public safety.	6
Degree of Negligence	A determination of gross negligence is found based on the permittee and representative of the permittee were aware of the off site impacts when issued the Notice of Violation on February 13, 1998. The permittee continued operations without fully abating the original violation. The permittee's actions continued to create off site impacts and hazardous safety circumstances up until the time of the issuance of the Closure Order on February 19, 1998, one day after which the violation was to be abated.	4

C

Reduce Base Civil Charge 10%

10

Base Civil Charge Amount = \$2,700

- 10% of Base 270

\$2,430

Director, Division of Gas and Oil