



April 12, 2012

Sen. Mary Ann Salmon, Co-Chair
Rep. Tommy Lee Baker, Co-Chair
Arkansas Legislative Council
Room 315, State Capitol Building
Little Rock, AR 72201

Dear Legislators:

As required in Act 957 of 2011, Section 44, the Arkansas Department of Environmental Quality presents the following information:

The number of inspections, any hearings, findings, orders, fines, or other agency regulatory or enforcement actions or activities involving the Fayetteville Shale.

The enclosed information provided by each division covers the period January 1, 2012 through March 31, 2012. If you have any questions, please contact Karen Bassett at (501) 682-0959.

Sincerely,

A handwritten signature in blue ink that reads "Teresa Marks". The signature is fluid and cursive, with the first name "Teresa" and last name "Marks" clearly distinguishable.

Teresa Marks
Director

Enclosure

ADEQ Report to Legislative Council on Fayetteville Shale

Related Activities pursuant to Section 44 of Act 957

January 1 – March 31, 2012

A. Total Complaints Received - 45

| Complaints received by county | | Complaints received by program |
|--------------------------------------|--|---------------------------------------|
| Cleburne – 10 | | Air – 13 |
| Faulkner – 10 | | Solid Waste - 1 |
| Independence - 4 | | Water - 31 |
| Pope - 1 | | |
| Sebastian - 1 | | |
| Union - 1 | | |
| Van Buren – 12 | | |
| White – 6 | | |

B. Total Inspections Performed – 267

| Inspections performed by county | | Inspections performed by program |
|--|--|---|
| Cleburne – 26 | | Air – 54 (routine inspections and stack test observations) |
| Conway – 60 | | Solid Waste - 4 |
| Cross – 1 | | Water - 209 |
| Faulkner – 23 | | |
| Franklin - 4 | | |
| Jackson - 1 | | |
| Logan – 35 | | |
| Lonoke – 1 | | |
| Phillips – 1 | | |
| Pope - 8 | | |
| Prairie – 3 | | |
| Pulaski - 1 | | |
| Saline – 1 | | |
| Sebastian -15 | | |
| Van Buren – 58 | | |
| White – 24 | | |
| Yell – 1 | | |

C. Fayetteville Shale activity related inspections estimated for next quarter

Air – 64 routine inspections, not able to estimate stack test observations as these are based on facilities notifications

Mining – 0, inspections are complaint driven

Solid Waste – 1 inspection for each site

Water - 200

D. Number of inspection staff in all programs at beginning of reporting quarter

Air – 25

Hazardous Waste - 14

Mining – 1

Regulated Storage Tanks - 16

Solid Waste - 9

Water - 20

E. Violation types noted in inspections reports

Air – 54 inspections (48 in compliance, 5 out of compliance, 1 not in operation)

Awaiting results on 11 stack tests, one failed, all others passed.

Violations

- Administrative – 2
- Recordkeeping – 1
- Failed to conduct testing – 1
- Violated a permitted opacity level – 1

Complaints (one had a double complaint)

- Dust – 4
- Odors - 7
- Other - 3

Water

- Placing waste – 12
- Permitting Issues – 11
- Stormwater Erosion Issues – 1
- Unpermitted discharges – 8
- Recordkeeping/Paperwork Violations – 0
- Trash/unauthorized fluid in pits – 0

- Improper closure of pit – 3
- Insufficient freeboard – 2
- Poor pit construction – 0
- Other – 15 O&G violations (operation and maintenance issues)

Solid Waste –

- 4 inspections, 1 follow-up complaint – one involving disposal of Fayetteville Shale drilling waste; one had lack of daily cover on drilling waste

F. Administrative Actions taken during reporting quarter

Air – 2 Consent Administrative Orders addressing failure to stack test, permit terms and conditions, failure to submit reports and unauthorized pollutant emitting activities. Total assessed penalties - \$5,130.00

Total Penalties Collected - \$5,130.00

G. Judicial Actions taken during reporting quarter

None