

CLAIM SUMMARY / DETERMINATION¹

Claim Number:	UCGP925021-URC001
Claimant:	E3 Environmental
Type of Claimant:	OSRO
Type of Claim:	Removal Costs
Claim Manager:	(b) (6)(b) (6)
Amount Requested:	\$74,273.10
Action Taken:	Offer in the amount of \$74,273.10

EXECUTIVE SUMMARY:

The National Response Center (“NRC”) received notification that on February 19, 2025, at 9:00 a.m. local time, an equipment failure on a storage tank caused the release of approximately 20 barrels of crude oil into soil and a nearby ditch.² The ditch flowed into Fleetwood Creek which leads to the Big Black River and ultimately leads to the Mississippi River, a navigable waterway.³ The storage tank was located at Gaddis Farms Unit 14-1 #2 and owned by Pistol Ridge Partners, LLC of Laurel, MS.⁴

The United States Environmental Protection Agency Region IV (“USEPA”) served as the Federal On Scene Coordinator (“FOSC”) ⁵, working with Mississippi Department of Environmental Quality (“MDEQ” or “SOSC”), which oversaw the response onsite.⁶

The spill occurred at an onshore facility as defined by the Oil Pollution Act of 1990 (“OPA”).⁷ OPA defines the Responsible Party (RP) for a discharge from an onshore facility as “any person or entity owning or operating such facility.”⁸ Pistol Ridge Partners, LLC, the

¹ This determination is written for the sole purpose of adjudicating a claim against the Oil Spill Liability Trust Fund (OSLTF). This determination adjudicates whether the claimant is entitled to OSLTF reimbursement of claimed removal costs or damages under the Oil Pollution Act of 1990. This determination does not adjudicate any rights or defenses any Responsible Party or Guarantor may have or may otherwise be able to raise in any future litigation or administrative actions, to include a lawsuit or other action initiated by the United States to recover the costs associated this incident. After a claim has been paid, the OSLTF becomes subrogated to all of the claimant’s rights under 33 U.S.C. § 2715. When seeking to recover from a Responsible Party or a Guarantor any amounts paid to reimburse a claim, the OSLTF relies on the claimant’s rights to establish liability. If a Responsible Party or Guarantor has any right to a defense to liability, those rights can be asserted against the OSLTF. Thus, this determination does not affect any rights held by a Responsible Party or a Guarantor.

² National Response Corporation Report #1423934 dated February 19, 2025

³ See, Email from United States Environmental Protection Agency (USEPA) Federal On Scene Coordinator (FOSC) to NPFC, describing flow path, dated September 18, 2025. See also, Email from Mississippi Department of Environmental Quality (MDEQ) to NPFC, describing flow path, dated September 16, 2025.

⁴ E3 Environmental Original Claim Submission, OSLTF Claim Form, question 9 description, dated July 7, 2025

⁵ Email from USEPA to NPFC dated August 19, 2025.

⁶ Email from USEPA to NPFC dated August 19, 2025.

⁷ An “onshore facility means any facility (including, but not limited to, motor vehicles and rolling stock) of any kind located in, on, or under, any land within the United States other than submerged land.” 33 U.S.C. § 2701(24).

⁸33 U.S.C. § 2701(32).

Responsible Party (RP)⁹, activated E3 Environmental (“Claimant” or “OSRO”) to respond to the incident.¹⁰

On July 7, 2025, E3 presented its removal costs claim submission to the National Pollution Funds Center (“NPFC”) for \$74,273.10.¹¹ The NPFC has thoroughly reviewed all documentation submitted with the claim, analyzed the applicable law and regulations, and after careful consideration has determined that the costs requested in the total amount of \$74,273.10 are compensable and offers this amount as full and final compensation of this claim.

I. DETERMINATION PROCESS:

The NPFC utilizes an informal process when adjudicating claims against the Oil Spill Liability Trust Fund (OSLTF).¹² As a result, 5 U.S.C. § 555(e) requires the NPFC to provide a brief statement explaining its decision. This determination is issued to satisfy that requirement.

When adjudicating claims against the OSLTF, the NPFC acts as the finder of fact. In this role, the NPFC considers all relevant evidence, including evidence provided by claimants and evidence obtained independently by the NPFC, and weighs its probative value when determining the facts of the claim.¹³ The NPFC may rely upon, but is not bound by the findings of fact, opinions, or conclusions reached by other entities.¹⁴ If there is conflicting evidence in the record, the NPFC makes a determination as to what evidence is more credible or deserves greater weight, and makes its determination based on the preponderance of the credible evidence.

II. INCIDENT, RESPONSIBLE PARTY AND RECOVERY OPERATIONS:

Incident

On February 19, 2025, at 9:00 a.m., the National Response Center (“NRC”) received notice of an equipment failure on a storage tank that released approximately 20 barrels of crude oil into soil and a nearby ditch.¹⁵ The ditch flowed into Fleetwood Creek, which connects to the Big Black River and the Mississippi River, a navigable waterway.¹⁶ The storage tank was located at

⁹ See, Mississippi Department of Environmental Quality Emergency Response Incident Report, Responsible Party section, dated February 24, 2025. See also, Email from FOSC to NPFC dated August 19, 2025, confirming the FOSC spoke with both the RP and Mississippi Department of Environmental Quality.

¹⁰ Email from E3 to NPFC dated August 11, 2025, with an attachment containing text messages between RP and Claimant demonstrating the RP hired E3 and provided guidance to continue response work, P. 2-9/81.

¹¹ E3 Original claim submission dated July 7, 2025.

¹² 33 CFR Part 136.

¹³ See, e.g., *Boquet Oyster House, Inc. v. United States*, 74 ERC 2004, 2011 WL 5187292, (E.D. La. 2011), “[T]he Fifth Circuit specifically recognized that an agency has discretion to credit one expert's report over another when experts express conflicting views.” (Citing, *Medina County v. Surface Transp. Bd.*, 602 F.3d 687, 699 (5th Cir. 2010)).

¹⁴ See, e.g., *Use of Reports of Marine Casualty in Claims Process by National Pollution Funds Center*, 71 Fed. Reg. 60553 (October 13, 2006) and *Use of Reports of Marine Casualty in Claims Process by National Pollution Funds Center* 72 Fed. Reg. 17574 (concluding that NPFC may consider marine casualty reports but is not bound by them).

¹⁵ National Response Corporation Report #1423934 dated February 19, 2025

¹⁶ See, Email from United States Environmental Protection Agency (USEPA) Federal On Scene Coordinator (FOSC) to NPFC, describing flow path, dated September 18, 2025. See also, Email from Mississippi Department of Environmental Quality (MDEQ) to NPFC, describing flow path, dated September 16, 2025.

Gaddis Farms Unit 14-1 #2 and owned by Pistol Ridge Partners, LLC of Laurel, MS.¹⁷ The USEPA notified MDEQ, which sent a representative to the site.¹⁸ The representative confirmed that the release had stopped and that the oil was contained in a drainage ditch.¹⁹

Responsible Party

The spill occurred at an onshore facility as defined by the OPA.²⁰ OPA defines the Responsible Party (RP) for a discharge from an onshore facility as “any person or entity owning or operating such facility.”²¹ Pistol Ridge Partners, LLC of Laurel, MS owned and operated the storage tank, where the leak occurred, at the time of the incident. MDEQ identified Pistol Ridge Partners, LLC as the responsible party.²²

Recovery Operations

E3 Environmental of Clinton, MS responded to the incident after Pistol Ridge Partners, LLC activated them to contain and recover the oil.²³ E3 Environmental completed the recovery over six days under MDEQ oversight. The crew placed dams in the ditch to prepare for rain and used absorbent boom in Fleetwood Creek to address an oil sheen. They used a water tanker truck to flush the ditch and recovered the product with a skimmer and vacuum truck.²⁴

The crew loaded recovered liquids into an onsite tank and disposed of contaminated debris at Republic Services Little Dixie Landfill.²⁵ MDEQ conducted daily follow-ups and approved the cleanup process.²⁶

III. CLAIMANT AND RP:

Absent limited circumstances, the federal regulations implementing the Oil Pollution Act of 1990 (OPA)²⁷ require all claims for removal costs must be presented to the responsible party before seeking compensation from the NPFC.²⁸

E3 Environmental established a verbal agreement with Pistol Ridge Partners, LLC, the RP, for their role in the incident response. E3 Environmental sent daily cost estimates to the RP via

¹⁷ See, E3 Environmental Original Claim Submission, OSLTF Claim Form, question 9 description, dated July 7, 2025. See also, Mississippi Department of Environmental Quality Emergency Response Incident Report, Responsible Party section, dated February 24, 2025.

¹⁸ Email from USEPA FOSC to NPFC dated August 19, 2025

¹⁹ Mississippi Department of Environmental Quality (MDEQ) Emergency Response Incident Report dated February 1, 2025.

²⁰ An “onshore facility means any facility (including, but not limited to, motor vehicles and rolling stock) of any kind located in, on, or under, any land within the United States other than submerged land.” 33 U.S.C. § 2701(24).

²¹ 33 U.S.C. § 2701(26), 33 U.S.C. § 2701(32).

²² MDEQ Emergency Response Incident Report, Responsible Party section, dated February 24, 2025.

²³ Email from E3 to NPFC dated August 11, 2025, with attachment.

²⁴ See, E3 Original Claim Submission dated July 7, 2025. See also, Email from E3 to NPFC dated August 11, 2025, with attachment.

²⁵ See, E3 Original Claim Submission dated July 7, 2025. See also, Email from E3 to NPFC dated August 11, 2025, with attachment.

²⁶ Email from E3 to NPFC dated August 11, 2025, with attachment.

²⁷ 33 U.S.C. § 2701 *et seq.*

²⁸ 33 CFR 136.103.

text message, and the invoice via email.²⁹ E3 Environmental satisfied its presentment requirements under OPA.³⁰ The invoices were inclusive of labor, equipment and vehicles, materials and supplies, subcontractors, markup, and fixed priced items totaling \$74,273.10.³¹ The RP has not paid the invoices that are the basis of this claim.

IV. CLAIMANT AND NPFC:

When an RP denies a claim or has not settled a claim after ninety-days of receipt, a claimant may elect to present its claim to the NPFC.³² On July 7, 2025, E3 Environmental submitted its uncompensated removal costs claim to the National Pollution Funds Center (“NPFC”) for \$74,273.10.³³

The claim included a OSLTF Claim Form dated July 7, 2025, Invoice SI-43101 with Project Summary and Daily Field Ticket, Waypoint Analytical Invoice, Invoice SI-43711 with Project Summary and Daily Field Ticket, BFI-Little Dixie Landfill Invoice Ticket, Republic Services Non-Hazardous Special Waste & Asbestos Manifest, and copy of email from Mississippi State Oil & Gas Board to E3 dated February 25, 2025.³⁴

On July 10, 2025, the NPFC requested additional information from Mississippi State Oil & Gas Board as witness for the incident.³⁵ On July 14, 2025, the NPFC requested additional documentation from E3 to support its claim submission.³⁶ On July 18, 2025, Mississippi State Oil & Gas Board responded to the NPFC request for additional information.³⁷ On July 18, 2025, the NPFC acknowledged Mississippi State Oil & Gas Board’s response to the NPFC’s request for information and requested a copy of the spill report, identification of small and large creeks along the flow path, along with the name of whomever attended onsite.³⁸

On August 11, 2025, E3 provided backup documentation and responses to the NPFC’s request for additional information.³⁹ On August 11, 2025, the NPFC requested additional information from the USEPA as it pertains to the substantial threat and/or discharge of oil to a navigable waterway.⁴⁰ On August 19, 2025, the USEPA FOSC responded to the NPFC answering questions pertaining to FOSC coordination for the incident.⁴¹ On September 18, 2025, the USEPA point of contact associated with identifying waters of the US in the case at hand confirmed that Fleetwood Creek is a perennial tributary and further described the flow path

²⁹ Email from E3 to NPFC dated August 11, 2025, with an attachment containing text messages between RP and Claimant demonstrating the RP hired E3 and provided guidance to continue response work, P. 2-9/81.

³⁰ E3 submitted a total of 2 invoices to the RP. On 2/28/25 and 4/3/25, respectively, for the removal costs. These costs are the subject of the claim.

³¹ E3 Original Claim Submission dated July 7, 2025.

³² 33 CFR 136.103.

³³ E3 Original Claim Submission dated July 7, 2025.

³⁴ E3 Original Claim Submission dated July 7, 2025.

³⁵ Email correspondence between NPFC and MS Oil & Gas Board dated July 10, 2025.

³⁶ Email correspondence between NPFC and E3 dated July 14, 2025.

³⁷ Email correspondence between E3 and MS Oil & Gas Board dated July 18, 2025.

³⁸ Email correspondence between NPFC and MS Oil & Gas Board dated July 18, 2025.

³⁹ Email from E3 to NPFC dated August 11, 2025, with attachment.

⁴⁰ Email correspondence between NPFC and USEPA dated August 11, 2025.

⁴¹ Email correspondence between USEPA FOSC and NPFC dated August 19, 2025.

as Fleetwood Creek flows into Bakers Creek, which then flows to Fourteen Mile Creek, which then flows into the Big Black River.⁴²

V. DISCUSSION:

A RP is liable for all removal costs and damages resulting from either an oil discharge or a substantial threat of oil discharge into a navigable water of the United States.⁴³ An RP's liability is strict, joint, and several.⁴⁴ When enacting OPA, Congress "explicitly recognized that the existing federal and states laws provided inadequate cleanup and damage remedies, required large taxpayer subsidies for costly cleanup activities and presented substantial burdens to victim's recoveries such as legal defenses, corporate forms, and burdens of proof unfairly favoring those responsible for the spills."⁴⁵ OPA was intended to cure these deficiencies in the law.

OPA provides a mechanism for compensating parties who have incurred removal costs where the responsible party has failed to do so. Removal costs are defined as "the costs of removal that are incurred after a discharge of oil has occurred or, in any case in which there is a substantial threat of a discharge of oil, the costs to prevent, minimize, or mitigate oil pollution from an incident."⁴⁶ The term "remove" or "removal" means "containment and removal of oil [...] from water and shorelines or the taking of other actions as may be necessary to minimize or mitigate damage to the public health or welfare, including, but not limited to fish, shellfish, wildlife, and public and private property, shorelines, and beaches."⁴⁷

The NPFC is authorized to pay claims for uncompensated removal costs that are consistent with the National Contingency Plan (NCP).⁴⁸ The NPFC has promulgated a comprehensive set of regulations governing the presentment, filing, processing, settling, and adjudicating such claims.⁴⁹ The claimant bears the burden of providing all evidence, information, and documentation deemed relevant and necessary by the Director of the NPFC, to support and properly process the claim.⁵⁰

Before reimbursement can be authorized for uncompensated removal costs, the claimant must demonstrate by a preponderance of the evidence:

- (a) That the actions taken were necessary to prevent, minimize, or mitigate the effects of the incident;
- (b) That the removal costs were incurred as a result of these actions;
- (c) That the actions taken were directed by the FOSC or determined by the FOSC to be consistent with the National Contingency Plan;⁵¹

⁴² Email correspondence between USEPA and NPFC dated September 18, 2025.

⁴³ 33 U.S.C. § 2702(a).

⁴⁴ See, H.R. Rep. No 101-653, at 102 (1990), *reprinted in* 1990 U.S.C.C.A.N. 779, 780.

⁴⁵ *Apex Oil Co., Inc. v United States*, 208 F. Supp. 2d 642, 651-52 (E.D. La. 2002) (*citing* S. Rep. No. 101-94 (1989), *reprinted in* 1990 U.S.C.C.A.N. 722).

⁴⁶ 33 U.S.C. § 2701(31).

⁴⁷ 33 U.S.C. § 2701(30).

⁴⁸ See generally, 33 U.S.C. § 2712 (a) (4); 33 U.S.C. § 2713; and 33 CFR Part 136.

⁴⁹ 33 CFR Part 136.

⁵⁰ 33 CFR 136.105.

⁵¹ In conjunction with the FOSC, MDEQ oversaw the work as well.

(d) That the removal costs were uncompensated and reasonable.⁵²

The NPFC determined that all submitted costs are compensable removal costs based on the provided documentation.⁵³ All costs approved for payment were verified as being properly incurred at the appropriate contractor rates for labor, equipment and materials, and not reimbursed by the RP.⁵⁴

The USEPA Region IV is the FOSC for this incident, working with MDEQ, who was onsite during the response.⁵⁵ All approved costs were supported by adequate documentation and response efforts were deemed satisfactory by the MDEQ representative that was on site.⁵⁶

Upon adjudication of the costs and based on the foregoing, the NPFC has determined that the amount of compensable removal costs is \$74,273.10.

VI. CONCLUSION:

After careful analysis of all the supporting documentation provided by the claimant and the entire administrative record, the NPFC finds that on February 19, 2025, the storage tank that experienced equipment failure located at Gaddis Farms Unit 14-1 #2 and owned by Pistol Ridge Partners, LLC discharged oil as determined by MDEQ and supported by the USEPA FOSC.⁵⁷

The USEPA FOSC and SOSC have jointly determined that all response actions performed by E3 between the dates of February 19, 2025, through February 28, 2025, and disposal performed on April 2, 2025, were consistent with the National Contingency Plan (NCP).⁵⁸ As such, the NPFC finds that the claimant's costs and actions were the result of a discharge of oil and continuing substantial threat of discharge as defined by OPA and are therefore compensable.

Based on a comprehensive review of the record, the applicable law and regulations, and for the reasons outlined above, E3 Environmental's request for uncompensated removal costs is approved in the amount of **\$74,273.10**.

⁵² 33 CFR 136.203; 33 CFR 136.205.

⁵³ E3 Original Claim Submission July 7, 2025

⁵⁴ Email from E3 to NPFC dated August 11, 2025, with attachment.

⁵⁵ Email from USEPA to NPFC dated August 19, 2025.

⁵⁶ MDEQ Emergency Response Incident Report dated February 1, 2025.

⁵⁷ See, Email from USEPA to NPFC dated August 19, 2025. See also, MDEQ Emergency Response Incident Report dated February 1, 2025.

⁵⁸ *Id.*

This determination is a settlement offer,⁵⁹ the claimant has 60 days in which to accept this offer. Failure to do so automatically voids the offer.⁶⁰ The NPFC reserves the right to revoke a settlement offer at any time prior to acceptance.⁶¹ Moreover, this settlement offer is based upon the unique facts giving rise to this claim and is not precedential.

(b) (6)

Claim Supervisor: (b) (6)(b) (6)

Date of Supervisor's review: *10/3/2025*

Supervisor Action: *Offer Approved*

⁵⁹ Payment in full, or acceptance by the claimant of an offer of settlement by the Fund, is final and conclusive for all purposes and, upon payment, constitutes a release of the Fund for the claim. In addition, acceptance of any compensation from the Fund precludes the claimant from filing any subsequent action against any person to recover costs or damages which are the subject of the uncompensated claim. Acceptance of any compensation also constitutes an agreement by the claimant to assign to the Fund any rights, claims, and causes of action the claimant has against any person for the costs and damages which are the subject of the compensated claims and to cooperate reasonably with the Fund in any claim or action by the Fund against any person to recover the amounts paid by the Fund. The cooperation shall include, but is not limited to, immediately reimbursing the Fund for any compensation received from any other source for the same costs and damages and providing any documentation, evidence, testimony, and other support, as may be necessary for the Fund to recover from any person. 33 CFR 136.115(a).

⁶⁰ 33 CFR 136.115(b).

⁶¹ 33 CFR 136.115(b).