

# Summary: Contractor Employees Pleaded Guilty to Clean Water Act and Oil Pollution Act Violations

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**Report Number: 16-0832**

We investigated allegations that Nathan Shumaker, a service supervisor employed with Alliance Energy Services, LLC, knowingly discharged oil from the offshore platform known as Vermillion 124F into the Gulf of Mexico (GOM) in 2016.

Black Elk Trust operated the Vermillion 124F platform located on a Federal lease in the GOM and hired Montco Oilfield Contractors, LLC, to perform work on the offshore platform. Montco hired Alliance as a subcontractor to perform plugging and abandonment operations associated with the platform.

We conducted a joint investigation with the Environmental Protection Agency's Criminal Investigation Division and found that Shumaker discharged oil mixed with produced water into the GOM from a "gas buster" tank located on the Vermillion 124F platform. Shumaker discharged the fluid over the objection of another concerned employee. Shumaker also discussed the discharge with Thomas Wharton, Montco's company representative in charge of the platform and the individual who had ultimate work authority. Because of his position, Wharton was legally responsible for reporting the discharge to Federal authorities, but he failed to do so.

The U.S. Attorney's Office, U.S. Department of Justice, prosecuted this matter in the United States District Court for the Western District of Louisiana. As a result, Shumaker pleaded guilty to a violation of 33 U.S.C § 1319(c)(1)(A), "Negligent Violation of the Clean Water Act," and on December 14, 2020, he was sentenced to 1 year of probation, issued a \$2,500 fine, and issued a \$25 special assessment. Wharton pleaded guilty to a violation of 33 U.S.C. § 1321(b)(5), "Failure to Notify Authorities Under the Oil Pollution Act," and on December 7, 2020, he was sentenced to 24 months of probation, issued a \$10,000 fine, and issued a \$100 special assessment.

This is a summary of an investigative report we issued to the Bureau of Safety and Environmental Enforcement Director.

