

U.S. Department of Labor

April 29, 2022

KLX Energy Services, LLC
and its successors
3040 Post Oak Blvd, 15th Floor
Houston, TX 77056

Dear Employer:

Enclosed you will find citations for violations of the Occupational Safety and Health Act of 1970 (the Act) which may have accompanying proposed penalties. Also enclosed is a booklet entitled, "Employer Rights and Responsibilities Following an OSHA Inspection", (OSHA 3000-04R) revised 2018, which explains your rights and responsibilities under the Act. If you have any questions about the enclosed citations and penalties, I would welcome further discussions in person or by telephone. Please contact me at (701) 250-4521.

You will note on page 6 of the booklet that, for violations which you do not contest, you must (1) notify this office promptly by letter that you have taken appropriate corrective action within the time set forth on the citation; and (2) pay any penalties assessed. Please inform me of the abatement steps you have taken and of their dates together with adequate supporting documentation; e.g., drawings or photographs of corrected conditions, purchase/work orders related to abatement actions, air sampling results. This information will allow us to close the case.

As indicated on page 3 of the booklet, you may request an informal conference with me during the 15-working-day notice of contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation or the penalty.

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of the citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete the attached notice at the bottom of this letter and post it next to the Citations as soon as the time, date and the place of the informal conference have been determined. Be sure to bring to the conference with you any and all supporting documentation of existing conditions as well as of any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation. You are encouraged to review the information concerning your establishment at www.osha.gov. If you have any dispute with the accuracy of the information displayed, please contact this office.

Sincerely,

Scott
Overson Digitally
signed by
Scott Overson

Scott Overson
Area Director

Enclosures

U.S. Department of Labor
Occupational Safety and Health Administration
521 East Main Avenue, Suite 200
Bismarck, ND 58501

Citation and Notification of Penalty

To:
KLX Energy Services, LLC
and its successors
3040 Post Oak Blvd, 15th Floor
Houston, TX 77056

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Inspection Site:
13456 Seventh Street NW
Grassy Butte, ND 58634

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(ies) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties proposed, unless within 15 working days (excluding weekends and Federal holidays) from your receipt of this Citation and Notification of Penalty **you either call to schedule an informal conference (see paragraph below) or** you mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. Please refer to the enclosed booklet (OSHA 3000) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Act has occurred unless there is a failure to contest as provided for in the Act or, if contested, unless this Citation is affirmed by the Review Commission or a court.

Posting - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or, if it is not practicable because of the nature of the employer's operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and Federal holidays), whichever is longer.

Informal Conference - An informal conference is not required. However, if you wish to have such a conference you may request one with the Area Director during the 15 working day contest period by calling (701) 250-4521. During such an informal conference, you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(ies).

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the Notice to Employees next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

Right to Contest – You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest proposed penalties and/or abatement dates without contesting the underlying violations. **Unless you inform the Area Director in writing that you intend to contest the citation(s) and/or proposed penalty(ies) within 15 working days after receipt, the citation(s) and the proposed penalty(ies) will become a final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency.**

Penalty Payment – Penalties are due within 15 working days of receipt of this notification unless contested. (See the enclosed booklet and the additional information provided related to the Debt Collection Act of 1982.) Make your check or money order payable to “DOL-OSHA”. Please indicate the Inspection Number on the remittance. You can also make your payment electronically at www.pay.gov. At the top of the [pay.gov](http://www.pay.gov) homepage, type "OSHA" in the Search field and select Search. From **OSHA Penalty Payment Form** search result, select Continue. The direct link is:

<https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>

You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment for less than the full amount due, and will process the payments as if these restrictions or conditions do not exist.

Notification of Corrective Action – For each violation which you do not contest, you must provide **abatement certification** to the Area Director of the OSHA office issuing the citation and identified above. This abatement certification is to be provided by letter within 10 calendar days after each abatement date. Abatement certification includes the date and method of abatement. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item. The abatement certification letter must be posted at the location where the violation appeared and the corrective action took place or employees must otherwise be effectively informed about abatement activities. A sample abatement certification letter is enclosed with this Citation. In addition, where the citation indicates that **abatement documentation** is necessary, evidence of the purchase or repair of equipment, photographs or video, receipts, training records, etc., verifying that abatement has occurred is required to be provided to the Area Director.

Employer Discrimination Unlawful – The law prohibits discrimination by an employer against an

employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the U.S. Department of Labor Area Office at the address shown above.

Employer Rights and Responsibilities – The enclosed booklet (OSHA 3000) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.

Notice to Employees – The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the U.S. Department of Labor Area Office at the address shown above and postmarked within 15 working days (excluding weekends and Federal holidays) of the receipt by the employer of this Citation and Notification of Penalty.

Inspection Activity Data – You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation. You are encouraged to review the information concerning your establishment at www.osha.gov. If you have any dispute with the accuracy of the information displayed, please contact this office.

NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 04/29/2022. The conference will be held by telephone or at the OSHA office located at 521 East Main Avenue, Suite 200, Bismarck, ND 58501 on _____ at _____.

Employees and/or representatives of employees have a right to attend an informal conference.

CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

Inspection Number: 1562270

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634
Issuance Date: 04/29/2022

List the specific method of correction for each item on this citation in this package that does not read "Corrected During Inspection" and return to: **U.S. Department of Labor – Occupational Safety and Health Administration, 521 East Main Avenue, Suite 200, Bismarck, ND 58501.**

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

I certify that the information contained in this document is accurate and that the affected employees and their representatives have been informed of the abatement.

Signature

Date

Typed or Printed Name

Title

NOTE: 29 USC 666(g) whoever knowingly makes any false statements, representation or certification in any application, record, plan or other documents filed or required to be maintained pursuant to the Act shall, upon conviction, be punished by a fine of not more than \$10,000 or by imprisonment of not more than 6 months or both.

POSTING: A copy of completed Corrective Action Worksheet should be posted for employee review

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1 Item 1 a Type of Violation: **Serious**

29 CFR 1910.109(d)(2)(iii): Each motor vehicle used for transporting explosives was not equipped with a minimum of two extinguishers, each having a rating of at least 10-BC:

(a) On or about November 03, 2021, at or near 13456 Seventh Street NW in Grassy Butte, North Dakota, for the employees using the 2018 Silver Ford F250 for transporting explosives, including but not limited to; loaded perforations guns, detonation cord, and detonators.

Abatement Note: Abatement certification is required for this item (see enclosed "Sample Abatement Certification Letter").

Date By Which Violation Must be Abated:
Proposed Penalty:

May 05, 2022
\$6,215.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

Citation 1 Item 1 b Type of Violation: **Serious**

29 CFR 1910.109(d)(2)(iii)(b): Extinguishers were not filled and ready for immediate use and located near the driver's seat:

(a) On or about November 03, 2021, for the employees working at or near 13456 Seventh Street NW in Grassy Butte, North Dakota where the 2018 Silver Ford F250 was used to transport explosives, including but not limited to; loaded perforations guns, detonation cord, and detonators.

Abatement Note: Abatement certification is required for this item (see enclosed "Sample Abatement Certification Letter").

Date By Which Violation Must be Abated:
Proposed Penalty:

May 05, 2022
\$0.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

Citation 1 Item 2 Type of Violation: **Serious**

29 CFR 1910.109(d)(3)(iii): Every motor vehicle transporting any quantity of Class A or Class B explosives was not at all times attended by a driver or other attendant of the motor carrier:

(a) On or about November 03, 2021, for employees engaged in perforating operations at the worksite located at or near 13456 Seventh Street NW, Grassy Butte, North Dakota, where the 2018 Silver Ford F250 was left unattended while containing explosives, including but not limited to; loaded perforations guns, detonation cord, and detonators.

Abatement Note: Abatement certification is required for this item (see enclosed "Sample Abatement Certification Letter").

Date By Which Violation Must be Abated:
Proposed Penalty:

May 05, 2022
\$10,360.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

Citation 2 Item 1 Type of Violation: **Willful - Serious**

29 CFR 1910.109(b)(1): Explosives or blasting agents were stored, handled, and/or transported when such storage, handling, and transporting of such explosives or blasting agents constituted an undue hazard to life:

Or in the alternative,

Section 5(a)(1): The employer did not furnish employment and a place of employment which were free from recognized hazards that were causing or likely to cause death or serious physical harm to employees in that employees were exposed to explosive projectile hazards:

(a) On or about November 03, 2021, for the employees working at or near 13456 Seventh Street NW in Grassy Butte, North Dakota where non-essential personnel handled explosives by assisting in the assembly of a perforation gun, without being cleared from the hazard area.

(b) On or about November 03, 2021, for the employees working at or near 13456 Seventh Street NW in Grassy Butte, North Dakota where a bonding or grounding strap was not used to control stray voltage.

(c) On or about November 03, 2021, for the employees working at or near 13456 Seventh Street NW in Grassy Butte, North Dakota where the firing key was not isolated and controlled to prevent premature or untimely activation/arming of the explosive device.

Abatement Note: Abatement certification and documentation are required for this item (see enclosed "Sample Abatement Certification Letter").

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated:
Proposed Penalty:

May 05, 2022
\$145,027.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 2 Item 2 a Type of Violation: **Willful - Serious**

29 CFR 1910.109(d)(1)(iv): Blasting caps or electric blasting caps were transported over the highways on the same vehicles with other explosives, that were not packaged, segregated, and transported in accordance with the Department of Transportation's Hazardous Materials Regulations (49 CFR parts 177-180):

(a) On or about November 03, 2021, for the employees working at or near 13456 7th Street NW in Grassy Butte, North Dakota where detonators (blasting caps), primer cord, shape charges, and tubing cutters with explosives class 1.4B, 1.4D, and 1.4S were transported together with nothing to prevent incidental contact with each other.

Abatement Note: Abatement certification and documentation are required for this item (see enclosed "Sample Abatement Certification Letter").

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated:	May 05, 2022
Proposed Penalty:	\$145,027.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

Citation 2 Item 2 b Type of Violation: **Willful - Serious**

29 CFR 1910.109(d)(2)(i): Vehicles used for transporting explosives did not have a closed body, the body was not covered with a flameproof and moisture-proof tarpaulin or other effective protection against moisture and sparks. All vehicles used for the transportation of explosives did not have tight floors and any exposed spark-producing metal on the inside of the body was not covered with wood or other non-sparking materials to prevent contact with packages of explosives:

(a) On or about November 03, 2021, for the employees working at or near 13456 Seventh Street NW in Grassy Butte, North Dakota where the vehicle used to transport the explosives, consisting of detonators (blasting caps), primer cord, shape charges, and tubing cutters with explosives class 1.4B, 1.4D, and 1.4S were transported together in a steel pickup box without a cover or bedliner.

Abatement Note: Abatement certification and documentation are required for this item (see enclosed "Sample Abatement Certification Letter").

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: May 05, 2022
Proposed Penalty: \$0.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

Citation 2 Item 2 c Type of Violation: **Willful - Serious**

29 CFR 1910.109(d)(3)(iv): Spark-producing metal, spark-producing metal tools, oils, matches, firearms, electric storage batteries, flammable substances, acids, oxidizing materials, or corrosive compounds were carried in the body of any motor truck and/or vehicle transporting explosives:

(a) On or about November 03, 2021, for the employees working at or near 13456 Seventh Street NW in Grassy Butte, North Dakota where explosives were transported next to spark producing tools.

Abatement Note: Abatement certification and documentation are required for this item (see enclosed "Sample Abatement Certification Letter").

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated:	May 05, 2022
Proposed Penalty:	\$0.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 2 Item 3 a Type of Violation: **Willful - Serious**

29 CFR 1910.109(e)(1)(iv): Persons authorized to prepare explosive charges or conduct blasting operations did not use every reasonable precaution, including but not limited to warning signals, flags, barricades, or woven wire mats to ensure the safety of the general public and workmen:

(a) On or about November 03, 2021, for the employees working at or near 13456 Seventh Street NW in Grassy Butte, North Dakota, no signage, flags, or barricades were used to notify personnel in the area that explosives hazards may exist.

Abatement Note: Abatement certification and documentation are required for this item (see enclosed "Sample Abatement Certification Letter").

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated:	May 05, 2022
Proposed Penalty:	\$145,027.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

Citation 2 Item 3 b Type of Violation: **Willful - Serious**

29 CFR 1910.109(e)(1)(vii)(b): There were no signs warning against the use of mobile radio transmitters on all roads within 350 feet of the blasting operations:

(a) On or about November 03, 2021, at or near 13456 Seventh Street NW in Grassy Butte, North Dakota, for the employees engaged in perforating activities for a multi-employer plug and abandonment operation at a wellsite.

Abatement Note: Abatement certification and documentation are required for this item (see enclosed "Sample Abatement Certification Letter").

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated:	May 05, 2022
Proposed Penalty:	\$0.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

Citation 3 Item 1 Type of Violation: **Other-than-Serious**

29 CFR 1910.109(d)(2)(ii)(a): Exterior markings or placards required on applicable vehicles were not displayed as follows for the various classes of commodities:

(a) On or about November 03, 2021, for the employees working at or near 13456 Seventh Street NW in Grassy Butte, North Dakota where the 2018 Silver Ford F250 did not have placarding for explosives transport.

Abatement Note: Abatement certification is required for this item (see enclosed "Sample Abatement Certification Letter").

Date By Which Violation Must be Abated:
Proposed Penalty:

May 18, 2022
\$1,163.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1562270
Inspection Date(s): 11/04/2021 -
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

Citation 3 Item 2 Type of Violation: **Other-than-Serious**

29 CFR 1910.109(e)(2)(i): Empty containers and paper and fiber packing materials which have previously contained explosive materials were not disposed of in a safe manner, or reused in accordance with the Department of Transportation's Hazardous Materials Regulations (49 CFR parts 177-180):

(a) On or about November 03, 2021, for the employees working at or near 13456 Seventh Street NW in Grassy Butte, North Dakota where employees disposed of tubing cutter packaging in a general use trash can and left a detonated tubing cutter laying on the ground near the rig.

Abatement Note: Abatement certification is required for this item (see enclosed "Sample Abatement Certification Letter").

Date By Which Violation Must be Abated:
Proposed Penalty:

May 18, 2022
\$1,163.00

Scott
Overson
Digitally signed by
Scott Overson

Scott Overson
Area Director

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration
521 East Main Avenue, Suite 200
Bismarck, ND 58501

INVOICE /
DEBT COLLECTION NOTICE

Company Name: KLX Energy Services, LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634
Issuance Date: 04/29/2022

Summary of Penalties for Inspection Number: 1562270

Citation 1 Item 1a, Serious	\$6,215.00
Citation 1 Item 1b, Serious	\$0.00
Citation 1 Item 2, Serious	\$10,360.00
Citation 2 Item 1, Willful - Serious	\$145,027.00
Citation 2 Item 2a, Willful - Serious	\$145,027.00
Citation 2 Item 2b, Willful - Serious	\$0.00
Citation 2 Item 2c, Willful - Serious	\$0.00
Citation 2 Item 3a, Willful - Serious	\$145,027.00
Citation 2 Item 3b, Willful - Serious	\$0.00
Citation 3 Item 1, Other-than-Serious	\$1,163.00
Citation 3 Item 2, Other-than-Serious	\$1,163.00

TOTAL PROPOSED PENALTIES: **\$453,982.00**

To avoid additional charges, please remit payment promptly to this Area Office for the total amount of the uncontested penalties summarized above. Make your check or money order payable to: "DOL-OSHA". Please indicate OSHA's Inspection Number (indicated above) on the remittance. You can also make your payment electronically at www.pay.gov. At the top of the [pay.gov](http://www.pay.gov) homepage, type "OSHA" in the Search field and select Search. From the **OSHA Penalty Payment Form** search result, select Continue. The direct link is: <https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>. You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment for less than the full amount due, and will cash the check or money order as if these restrictions or conditions do not exist.

If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 24 hours and will be shown on your regular account statement. You will not receive your original check back. The bank will destroy your original check, but

will keep a copy of it. If the EFT cannot be completed because of insufficient funds or closed account, the bank will attempt to make the transfer up to two times.

Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts for violations of the Occupational Safety and Health Act.

Interest: Interest charges will be assessed at an annual rate determined by the Secretary of the Treasury on all penalty debt amounts not paid within one month (30 calendar days) of the date on which the debt amount becomes due and payable (penalty due date). The current interest rate is one percent (1%). Interest will accrue from the date on which the penalty amounts (as proposed or adjusted) become a final order of the Occupational Safety and Health Review Commission (that is, 15 working days from your receipt of the Citation and Notification of Penalty), unless you file a notice of contest. Interest charges will be waived if the full amount owed is paid within 30 calendar days of the final order.

Delinquent Charges: A debt is considered delinquent if it has not been paid within one month (30 calendar days) of the penalty due date or if a satisfactory payment arrangement has not been made. If the debt remains delinquent for more than 90 calendar days, a delinquent charge of six percent (6%) per annum will be assessed accruing from the date that the debt became delinquent.

Administrative Costs: Agencies of the Department of Labor are required to assess additional charges for the recovery of delinquent debts. These additional charges are administrative costs incurred by the Agency in its attempt to collect an unpaid debt. Administrative costs will be assessed for demand letters sent in an attempt to collect the unpaid debt.

Scott
Overson  Digitally signed
by Scott Overson

Scott Overson
Area Director

Date

U.S. Department of Labor

April 29, 2022

Brigade Energy Services LLC
and its successors
14031 Bennett Loop Road
Williston, ND 58801

Dear Employer:

Enclosed you will find citations for violations of the Occupational Safety and Health Act of 1970 (the Act) which may have accompanying proposed penalties. Also enclosed is a booklet entitled, "Employer Rights and Responsibilities Following an OSHA Inspection", (OSHA 3000-04R) revised 2018, which explains your rights and responsibilities under the Act. If you have any questions about the enclosed citations and penalties, I would welcome further discussions in person or by telephone. Please contact me at (701) 250-4521.

You will note on page 6 of the booklet that, for violations which you do not contest, you must (1) notify this office promptly by letter that you have taken appropriate corrective action within the time set forth on the citation; and (2) pay any penalties assessed. Please inform me of the abatement steps you have taken and of their dates together with adequate supporting documentation; e.g., drawings or photographs of corrected conditions, purchase/work orders related to abatement actions, air sampling results. This information will allow us to close the case.

As indicated on page 3 of the booklet, you may request an informal conference with me during the 15-working-day notice of contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation or the penalty.

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of the citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete the attached notice at the bottom of this letter and post it next to the Citations as soon as the time, date and the place of the informal conference have been determined. Be sure to bring to the conference with you any and all supporting documentation of existing conditions as well as of any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation. You are encouraged to review the information concerning your establishment at www.osha.gov. If you have any dispute with the accuracy of the information displayed, please contact this office.

Sincerely,

Scott
Overson Digitally
signed by
Scott Overson

Scott Overson
Area Director

Enclosures

U.S. Department of Labor
Occupational Safety and Health Administration
521 East Main Avenue, Suite 200
Bismarck, ND 58501

Citation and Notification of Penalty

To:
Brigade Energy Services LLC
and its successors
14031 Bennett Loop Road
Williston, ND 58801

Inspection Number: 1565494
Inspection Date(s): 11/04/2021 - 11/04/2021
Issuance Date: 04/29/2022

Inspection Site:
13456 Seventh Street NW
Grassy Butte, ND 58634

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(ies) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties proposed, unless within 15 working days (excluding weekends and Federal holidays) from your receipt of this Citation and Notification of Penalty **you either call to schedule an informal conference (see paragraph below) or** you mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. Please refer to the enclosed booklet (OSHA 3000) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Act has occurred unless there is a failure to contest as provided for in the Act or, if contested, unless this Citation is affirmed by the Review Commission or a court.

Posting - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or, if it is not practicable because of the nature of the employer's operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and Federal holidays), whichever is longer.

Informal Conference - An informal conference is not required. However, if you wish to have such a conference you may request one with the Area Director during the 15 working day contest period by calling (701) 250-4521. During such an informal conference, you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(ies).

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the Notice to Employees next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

Right to Contest – You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest proposed penalties and/or abatement dates without contesting the underlying violations. **Unless you inform the Area Director in writing that you intend to contest the citation(s) and/or proposed penalty(ies) within 15 working days after receipt, the citation(s) and the proposed penalty(ies) will become a final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency.**

Penalty Payment – Penalties are due within 15 working days of receipt of this notification unless contested. (See the enclosed booklet and the additional information provided related to the Debt Collection Act of 1982.) Make your check or money order payable to “DOL-OSHA”. Please indicate the Inspection Number on the remittance. You can also make your payment electronically at www.pay.gov. At the top of the [pay.gov](http://www.pay.gov) homepage, type "OSHA" in the Search field and select Search. From **OSHA Penalty Payment Form** search result, select Continue. The direct link is:

<https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>

You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment for less than the full amount due, and will process the payments as if these restrictions or conditions do not exist.

Notification of Corrective Action – For each violation which you do not contest, you must provide **abatement certification** to the Area Director of the OSHA office issuing the citation and identified above. This abatement certification is to be provided by letter within 10 calendar days after each abatement date. Abatement certification includes the date and method of abatement. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item. The abatement certification letter must be posted at the location where the violation appeared and the corrective action took place or employees must otherwise be effectively informed about abatement activities. A sample abatement certification letter is enclosed with this Citation. In addition, where the citation indicates that **abatement documentation** is necessary, evidence of the purchase or repair of equipment, photographs or video, receipts, training records, etc., verifying that abatement has occurred is required to be provided to the Area Director.

Employer Discrimination Unlawful – The law prohibits discrimination by an employer against an

employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the U.S. Department of Labor Area Office at the address shown above.

Employer Rights and Responsibilities – The enclosed booklet (OSHA 3000) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.

Notice to Employees – The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the U.S. Department of Labor Area Office at the address shown above and postmarked within 15 working days (excluding weekends and Federal holidays) of the receipt by the employer of this Citation and Notification of Penalty.

Inspection Activity Data – You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation. You are encouraged to review the information concerning your establishment at www.osha.gov. If you have any dispute with the accuracy of the information displayed, please contact this office.

NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 04/29/2022. The conference will be held by telephone or at the OSHA office located at 521 East Main Avenue, Suite 200, Bismarck, ND 58501 on _____ at _____.

Employees and/or representatives of employees have a right to attend an informal conference.

CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

Inspection Number: 1565494

Company Name: Brigade Energy Services LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634
Issuance Date: 04/29/2022

List the specific method of correction for each item on this citation in this package that does not read "Corrected During Inspection" and return to: **U.S. Department of Labor – Occupational Safety and Health Administration, 521 East Main Avenue, Suite 200, Bismarck, ND 58501.**

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

I certify that the information contained in this document is accurate and that the affected employees and their representatives have been informed of the abatement.

Signature

Date

Typed or Printed Name

Title

NOTE: 29 USC 666(g) whoever knowingly makes any false statements, representation or certification in any application, record, plan or other documents filed or required to be maintained pursuant to the Act shall, upon conviction, be punished by a fine of not more than \$10,000 or by imprisonment of not more than 6 months or both.

POSTING: A copy of completed Corrective Action Worksheet should be posted for employee review

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1565494
Inspection Date(s): 11/04/2021 - 11/04/2021
Issuance Date: 04/29/2022

Citation and Notification of Penalty

Company Name: Brigade Energy Services LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634

Citation 1 Item 1 Type of Violation: **Serious**

29 CFR 1910.109(b)(1): Explosives or blasting agents were stored, handled, and/or transported when such storage, handling, and transporting of such explosives or blasting agents constituted an undue hazard to life:

Or in the alternative,

Section 5(a)(1): The employer did not furnish employment and a place of employment which were free from recognized hazards that were causing or likely to cause death or serious physical harm to employees in that employees were exposed to explosive projectile hazards:

(a) On or about November 03, 2021, at or near 13456 Seventh Street NW in Grassy Butte, North Dakota where employees who were not essential to the operation handled explosives by assisting in the assembly of a perforation gun, and were not cleared from the hazard area.

Abatement Note: Abatement certification and documentation is required for this item (see enclosed "Sample Abatement Certification Letter").

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: May 18, 2022
Proposed Penalty: \$14,502.00

Scott Digitally
Overson signed by
Scott Overson

Scott Overson
Area Director

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration
521 East Main Avenue, Suite 200
Bismarck, ND 58501

INVOICE /
DEBT COLLECTION NOTICE

Company Name: Brigade Energy Services LLC
Inspection Site: 13456 Seventh Street NW, Grassy Butte, ND 58634
Issuance Date: 04/29/2022

Summary of Penalties for Inspection Number: 1565494

Citation 1 Item 1, Serious \$14,502.00

TOTAL PROPOSED PENALTIES: \$14,502.00

To avoid additional charges, please remit payment promptly to this Area Office for the total amount of the uncontested penalties summarized above. Make your check or money order payable to: "DOL-OSHA". Please indicate OSHA's Inspection Number (indicated above) on the remittance. You can also make your payment electronically at www.pay.gov. At the top of the [pay.gov](http://www.pay.gov) homepage, type "OSHA" in the Search field and select Search. From the **OSHA Penalty Payment Form** search result, select Continue. The direct link is: <https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>. You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment for less than the full amount due, and will cash the check or money order as if these restrictions or conditions do not exist.

If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 24 hours and will be shown on your regular account statement. You will not receive your original check back. The bank will destroy your original check, but will keep a copy of it. If the EFT cannot be completed because of insufficient funds or closed account, the bank will attempt to make the transfer up to two times.

Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts for violations of the Occupational Safety and Health Act.

Interest: Interest charges will be assessed at an annual rate determined by the Secretary of the Treasury on all

penalty debt amounts not paid within one month (30 calendar days) of the date on which the debt amount becomes due and payable (penalty due date). The current interest rate is one percent (1%). Interest will accrue from the date on which the penalty amounts (as proposed or adjusted) become a final order of the Occupational Safety and Health Review Commission (that is, 15 working days from your receipt of the Citation and Notification of Penalty), unless you file a notice of contest. Interest charges will be waived if the full amount owed is paid within 30 calendar days of the final order.

Delinquent Charges: A debt is considered delinquent if it has not been paid within one month (30 calendar days) of the penalty due date or if a satisfactory payment arrangement has not been made. If the debt remains delinquent for more than 90 calendar days, a delinquent charge of six percent (6%) per annum will be assessed accruing from the date that the debt became delinquent.

Administrative Costs: Agencies of the Department of Labor are required to assess additional charges for the recovery of delinquent debts. These additional charges are administrative costs incurred by the Agency in its attempt to collect an unpaid debt. Administrative costs will be assessed for demand letters sent in an attempt to collect the unpaid debt.

Scott
Overson  Digitally signed
by Scott Overson

Scott Overson
Area Director

Date