

**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY**

<b>IN THE MATTER OF:</b>	*	<b>Settlement Tracking No.</b>
	*	<b>SA-MM-14-0026</b>
<b>ARKLA Disposal L.L.C., ARKLA Disposal Services, Inc., CCS Midstream Services, L.L.C. (f/k/a/ CCS Energy Services L.L.C.), CCS Energy Services (USA), Inc., and CCS (USA), Inc.</b>	*	<b>Enforcement Tracking No.</b>
	*	<b>SE-CN-05-0093</b>
	*	<b>WE-CN-06-0403</b>
	*	<b>MM-CN-07-0119</b>
<b>AI # 29835</b>	*	<b>RE-CN-07-0032</b>
	*	<b>WE-CN-08-0523</b>
	*	<b>OC-0363</b>
<b>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT LA. R.S. 30:2001, et seq.</b>	*	<b>WE-PP-06-0283</b>
	*	<b>Docket No. 2007-0447-EQ</b>

**SETTLEMENT**

The Settlement is entered between ARKLA Disposal L.L.C., ARKLA Disposal Services, Inc., CCS Midstream Services, L.L.C. (f/k/a/ CCS Energy Services L.L.C.), CCS Energy Services (USA), Inc., and CCS (USA), Inc., (collectively "Respondent") and the Department of Environmental Quality ("LDEQ" or "Department"), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, *et seq.* ("Act").

**I.**

Respondent is a corporate entity that owned and/or operated a Centralized Waste Water Treatment ("CWT") facility which was located at 10865 La. Highway 1 South in Shreveport, Caddo Parish, Louisiana ("Facility"). The Facility no longer operates as a CWT; it is now fully permitted as a deep-well injection facility through the Louisiana Department of Natural Resources.

**II.**

CCS (USA), Inc. acquired ARKLA Disposal Services, Inc. and ARKLA Disposal LLC on September 7, 2006, through a stock purchase agreement. At that time, the record owner of

the Facility was ARKLA Disposal, LLC. On or about December 31, 2006, ARKLA Disposal, LLC merged with CCS Energy Services, LLC, with CCS Energy Services, LLC, being the surviving entity and the owner of the Facility. In June 2008, CCS Energy Services, LLC changed its name to CCS Midstream Services, LLC.

### III.

The Department issued the following orders:

On October 3, 2005, the Department issued its Compliance Order and Notice of Potential Penalty ("CONOPP"), No. SE-CN-05-0093, to ARKLA Disposal Services, Inc., which was based upon the findings of fact set out in that order (Exhibit A).

On September 18, 2006, the Department issued its Notice of Potential Penalty, No. WE-PP-06-0283, to ARKLA Disposal Services, Inc., which was based upon the findings of fact set out in that order (Exhibit B).

On December 07, 2006, the Department issued its CONOPP No. WE-CN-06-0403, to ARKLA Disposal Services, Inc. (rescinded on June 28, 2007, by CONOPP No. WE-CN-06-0403R), which was based upon the findings of fact set out in that order (Exhibit C).

On September 25, 2007, the Department issued its CONOPP, No. MM-CN-07-0119, to ARKLA Disposal Services, Inc., which was based upon the findings of fact set out in that order (Exhibit D).

On October 1, 2007, the Department issued its CONOPP, No. RE-CN-07-0032, to ARKLA Disposal Services, Inc., which was based upon the findings of fact set out in that order (Exhibit E).

On August 27, 2008, the Department issued its Consolidated Compliance Order and Notice of Potential Penalty, No. WE-CN-08-0523, to CCS Midstream Services, LLC, which was based upon the findings of fact set out in that order (Exhibit F).

On May 1, 2009, the Department issued its Order to Close, No. OC-0363, to CCS Midstream Services, LLC, which was based upon the findings of fact set out in that order (Exhibit G).

### IV.

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

## V.

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, in resolution of the orders identified in Section III., a deposit into an escrow account the amount of Twenty-Five Thousand and 00/100 Dollars (\$25,000.00). Pursuant to La. R.S. 30:2031, this account, which is administered by the LDEQ, is dedicated to the remediation, removal, treatment, and/or disposal of solid and/or hazardous wastes that have been abandoned at the Camp Minden facility (formerly known as the Louisiana Army Ammunition Plant). Any funds that remain in this escrow account after January 1, 2016, or that have not been committed to the continuing remediation, removal, treatment, and/or disposal activities at the Camp Minden facility, will be transferred by LDEQ to the Louisiana Hazardous Waste Clean-Up Fund. The total amount of money expended by Respondent on cash payments to the Department as described in this Section V, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

## VI.

In addition, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, in additional resolution of the orders identified in Section III., a payment in the amount of Six Thousand Six Hundred Six and 53/100 Dollars (\$6,606.53), which represents the benefit of noncompliance as well as the Department's enforcement costs, in settlement of the claims set forth in this Settlement.

## VII.

Respondent further agrees that the Department may consider the inspection report(s), Consolidated Compliance Orders and Notices of Potential Penalties and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent

shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

#### **VIII.**

This Settlement shall be considered a final order of the Secretary for all purposes, including, but not limited to, resolution of all orders identified in Section III, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this Settlement, except such review as may be required for interpretation of this Settlement in any action by the Department to enforce this Settlement.

#### **IX.**

This Settlement is being made in the interest of settling the state's claims in all orders identified in Section III and enforcement under La. R.S. 30:2025(G)(2) and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

#### **X.**

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Caddo Parish, Louisiana. The public notice advertisement, in form, wording, and size approved by the Department, announced the availability of this Settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

**XI.**

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Settlement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form attached as Exhibit "A".

**XII.**

In consideration of the above, any claims for penalties of the orders identified in Section III are hereby compromised and settled in accordance with the terms of this Settlement.

**XIII.**

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

**ARKLA DISPOSAL, L.L.C., ARKLA  
DISPOSAL SERVICES, INC., CCS  
MIDSTREAM SERVICES, L.L.C. (f/k/a CCS  
ENERGY SERVICES L.L.C.), CCS ENERGY  
SERVICES (USA), INC., and CCS (USA), Inc.**

---

**Rob Van Walleghem**  
Executive Vice President, Legal and Corporate  
Secretary  
10613 W Sam Houston Pkwy N Suite 300  
Houston, TX 77064

THUS DONE AND SIGNED in duplicate original before me this \_\_\_\_\_ day of  
\_\_\_\_\_, 2014.

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NOTARY PUBLIC (ID # \_\_\_\_\_)

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(stamped or printed)

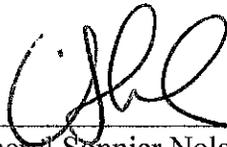
**LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY**  
Peggy M. Hatch, Secretary

BY: \_\_\_\_\_  
Cheryl Sonnier Nolan, Assistant Secretary  
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014, at Baton Rouge, Louisiana.

\_\_\_\_\_  
NOTARY PUBLIC (ID # \_\_\_\_\_)

\_\_\_\_\_  
(stamped or printed)

Approved:  \_\_\_\_\_  
Cheryl Sonnier Nolan, Assistant Secretary

# SETTLEMENT PAYMENT FORM

Please attach this form to your settlement payment  
and submit to:

Department of Environmental Quality  
Financial Services Division  
P. O. Box 4303  
Baton Rouge, Louisiana 70821-4303  
Attn: Accountant Administrator

Payment # \_\_\_\_\_

Respondent: ARKLA Disposal L.L.C., ARKLA Disposal Services, Inc., CCS  
Midstream Services, L.L.C. (f/k/a/ CCS Energy Services L.L.C.), CCS Energy  
Services (USA), Inc., and CCS (USA), Inc.

Settlement No: SA-MM-14-0026

Enforcement Tracking No(s): SE-CN-05-0093; WE-CN-06-0403; MM-CN-07-0119;  
RE-CN-07-0032; WE-CN-08-0523; OC-0363; WE-PP-06-0283

Payment Amount: \$31,606.53

AI Number: 29835

Alternate ID No(s):

TEMPO Activity Number:

<b>For Official Use Only, Do Not write in this Section.</b>	
Check Number:	Check Date:
Check Amount:	Received Date:
PIV Number:	PIV Date:
Stamp "Paid" in the box to the right and initial.	
Route Completed form to: Celena Cage, Administrator Enforcement Division	
And copy Perry Theriot Legal Division	



# State of Louisiana

## Department of Environmental Quality



Edms  
RF  
RLC  
NWRO

KATHLEEN BABINEAUX BLANCO  
GOVERNOR

October 3, 2005

MIKE D. McDANIEL, Ph.D.  
SECRETARY

CERTIFIED MAIL (7004 1160 0001 9955 6947)  
RETURN RECEIPT REQUESTED

**ARKLA DISPOSAL SERVICES, INC.**  
c/o David Klotz  
Agent of Service  
509 Milam Street  
Shreveport, Louisiana 71101

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. SE-CN-05-0093  
AGENCY INTEREST NO. 29835**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **ARKLA DISPOSAL SERVICES, INC. (RESPONDENT)** for the violations described therein.

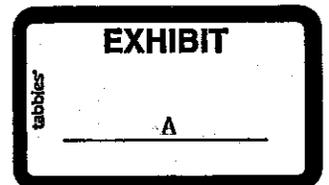
Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violation cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Richie Coleman at (225) 219-3792.

Sincerely,

Peggy M. Hatch  
Administrator  
Enforcement Division

PMH/RLC/rle  
Attachment



**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE**

<b>IN THE MATTER OF</b>	*	
	*	
<b>ARKLA DISPOSAL SERVICES, INC. CADDO PARISH</b>	*	<b>ENFORCEMENT TRACKING NO.</b>
	*	
	*	<b>SE-CN-05-0093</b>
	*	
	*	<b>AGENCY INTEREST NO.</b>
	*	
<b>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT, La. R.S. 30:2001, <u>ET SEQ.</u></b>	*	<b>29835</b>
	*	
	*	

**CONSOLIDATED  
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **ARKLA DISPOSAL SERVICES, INC. (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

**FINDINGS OF FACT**

**I.**

The Respondent owns and/or operates the facility known as ARKLA Disposal Service, Inc. a waste water treatment unit (WWTU) located at 10845 Highway 1 South in Shreveport, Caddo Parish, Louisiana.

II.

On or about July 25 & 26, 2005, inspections were made at the Respondent's facility. During the inspection, the following violation was noted:

The Respondent caused and/or allowed the processing of regulated solid waste without a permit and/or other authority from the Department, in violation of LAC 33:VII.315.A and LAC 33:VII.315.E. Specifically, sludge from the WWTU was being processed in the drying bed.

**COMPLIANCE ORDER**

Based on the foregoing, the Respondent is hereby ordered:

I.

To immediately cease, upon receipt of this **COMPLIANCE ORDER**, operating the drying bed until such time as the facility receives a solid waste permit or other regulatory authority for the drying bed.

II.

To immediately take, upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Solid Waste Regulations.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violation and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attention: Richie Coleman**  
**Enforcement Tracking No. SE-CN-05-0093**  
**AI No. 29835**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the **Enforcement Tracking Number** and **Agency Interest Number**, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
**Attn: Hearings Clerk, Legal Division**  
**Re: Enforcement Tracking No. SE-CN-05-0093**  
**Agency Interest No. 29835**

### III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

### IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

### V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

### VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's

failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

**NOTICE OF POTENTIAL PENALTY**

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Richie Coleman at (225) 219-3792 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

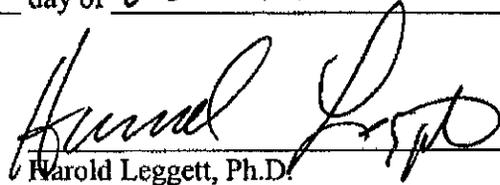
The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty

will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 3 day of October, 2005.

  
\_\_\_\_\_  
Harold Leggett, Ph.D.  
Assistant Secretary  
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Leigh Gauthreaux



**State of Louisiana**  
**Department of Environmental Quality**



KATHLEEN BABINEAUX BLANCO  
 GOVERNOR

September 18, 2006

MIKE D. McDANIEL, Ph.D.  
 SECRETARY

CERTIFIED MAIL (7004 1160 0001 9957 3401/3418)  
 RETURN RECEIPT REQUESTED

**ARKLA DISPOSAL SERVICES, INC.**  
 c/o David Klotz  
 Agent of Service  
 509 Milam St.  
 Shreveport, LA 71115

**RE: NOTICE OF POTENTIAL PENALTY**  
**ENFORCEMENT TRACKING NO. WE-PP-06-0283**  
**AGENCY INTEREST NO. 29835**

Dear Sir:

On or about July 17-19, 23, 24, 25, 28, and August 3, 2006, inspections of **ARKLA DISPOSAL SERVICES**, owned and/or operated by **ARKLA DISPOSAL SERVICES, INC. (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Water Quality Regulations. The facility is located at 10845 Louisiana Highway 1 South in Shreveport, Caddo Parish, Louisiana. The Respondent does not have a Louisiana Pollutant Discharge Elimination System (LPDES) permit and/or other authority to discharge wastewater to waters of the state.

While the Louisiana Department of Environmental Quality's (the Department) investigation is not yet complete, the following violation was noted during the course of the inspections:

The Respondent did cause and/or allow unauthorized discharges of contaminated well water from a discharge line at its facility to the Red River, waters of the state, in violation of La. R. S. 30:2075, La. R. S. 30:2076 (A) (1) (a), La. R. S. 30:2076 (A) (3), LAC 33:IX.501.A, C, and D, LAC 33:IX.2311.A.1, and LAC 33:IX.2501.A. Specifically, the following observations were made during the course of the inspections:

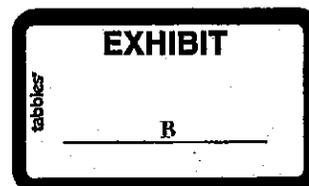
July 17, 2006

An oil sheen was present on the river at and downstream of the Respondent's discharge point with visible pools of oil along the shore. It was estimated that there was one barrel

OFFICE OF ENVIRONMENTAL COMPLIANCE • P.O. BOX 4312 • BATON ROUGE, LOUISIANA 70821-4312



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or less of oil. Analyses of samples collected from the Red River where accumulation of oil was present revealed the following results:

#### Oil and Grease

Layer	Volume (ml)	Percent by volume
Aqueous layer	720	91.8
Organic layer	70	8.9
Total	790	100.1

#### Volatile Organic Compounds (VOCs)

Oil Phase	Pollutant	Analytical Results (ppb*)	Water Phase	Pollutant	Analytical Results (ppb*)
	1,2,4-Trimethylbenzene	23,847		1,2,4-Trimethylbenzene	69.9
	1,2-Dichloroethane-d4	96.5		1,2-Dichloroethane-d4	92.5
	1,3,5-Trimethylbenzene	14,180		1,3,5-Trimethylbenzene	42.1
	1,4-Difluorobenzene	103		1,4-Difluorobenzene	102
	4-Bromofluorobenzene	96.5		4-Bromofluorobenzene	98.9
	Dibromofluoromethane	100		Dibromofluoromethane	99.4
	Ethylbenzene	1,243		Ethylbenzene	5.49
	Isopropylbenzene	1,653		Isopropylbenzene	3.87
	Naphthalene	22,512		Naphthalene	67.1
	n-Butylbenzene	3,172		n-Butylbenzene	5.61
	O-Xylene	4,153		O-Xylene	20.9
	P & M- Xylenes	11,689		P & M- Xylenes	54.7
	p-Isopropyltoluene	1,918		p-Isopropyltoluene	3.65
	Propylbenzene	3,688		Propylbenzene	8.36
	Secbutylbenzene	2,228		Secbutylbenzene	3.52
	Tertbutylbenzene	2,335		Tertbutylbenzene	4.28
	Toluene-d8	98.9		Toluene-d8	98.8
				Toluene	2.72

\*ppb indicates parts per billion

July 18, 2006

Mr. John Tuma, company president, stated that the facility discharges excess uncontaminated well water to the Red River through a discharge line.

July 19, 2006

Samples of the Respondent's effluent were collected for Oil and Grease and VOCs from the sampling port on the discharge line. Analyses of the samples revealed the following results:

VOCs

Pollutant	Analytical Results (ppb*)
1,2,4-Trimethylbenzene	47.8
1,2-Dichloroethane-d4	96.3
1,3,5-Trimethylbenzene	32.6
1,4-Difluorobenzene	103
4-Bromofluorobenzene	97.2
Dibromofluoromethane	99.5
Ethylbenzene	18.9
Isopropylbenzene	4.64
Naphthalene	17.3
n-Butylbenzene	2.35
O-Xylene	51.5
P & M- Xylenes	149
p-Isopropyltoluene	2.18
Propylbenzene	7.79
Secbutylbenzene	2.31
Tertbutylbenzene	4.48
Toluene	146
Toluene-d8	99.2
Benzene	60.7

The Oil and Grease concentration was 6.0 ppm (parts per million).

July 23 & 24, 2006

On July 23, bubbles were seen coming up from the Respondent's discharge pipe, but there was no evidence of an oil sheen or discoloration. On July 24, a light scum floating on the surface of the water was noted in the vicinity of the Respondent's discharge. Samples of the Respondent's effluent were collected for Oil and Grease, VOCs, Chloride, and Total Organic Carbon (TOC) from the sampling port on the discharge line. Field Measurements showed a pH reading of 7.26 S.U. and a conductivity reading of 987  $\mu$ S. Analyses of the samples from the sample port of the discharge line revealed the following results:

VOCs

Pollutant	Analytical Results (ppb*)
1,2,4-Trimethylbenzene	10.6
1,2-Dichloroethane-d4	94.6
1,3,5-Trimethylbenzene	5.95
1,4-Difluorobenzene	100
4-Bromofluorobenzene	101
Dibromofluoromethane	95.6
Ethylbenzene	5.75
Naphthalene	4.92
O-Xylene	15.9
P & M- Xylenes	46.1
Toluene	54.9
Toluene-d8	101
Benzene	16.5
Chlorobenzene-d5	50.0
Fluorobenzene	50.0
1,4-Dichlorobenzene-d4	50.0

The Oil and Grease, Chloride, and TOC analytical results were nondetect, 23.6 ppm, and 3.2 ppm, respectively.

July 25 & 28, 2006

On July 25, the piping at the Respondent's facility was traced to determine the path of the discharge to the Red River. On July 28, Mr. Tuma was notified that the Department's analytical results from the July 17 samples indicated the discharge was contaminated with VOCs. Mr. Tuma shut the pumps off to the water wells and discontinued the discharge.

August 3, 2006

On August 3, samples were collected from the north and south water wells at the Respondent's facility. Analyses of samples for VOCs from the north water well revealed results of nondetect on all parameters tested; however, analyses of samples for VOCs from the south water well revealed results of 4.94 ppb of p-Isopropyltoluene and 3.80 ppb of toluene.

On August 4, the discharge pipe was capped.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

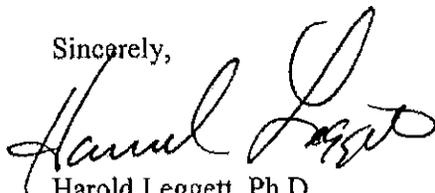
Prior to the issuance of any additional appropriate enforcement action, you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Cheryl Easley, Senior Environmental Scientist, at (225) 219-3715 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance in order to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violations to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify this statement.

For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

To reduce document handling, please refer to the **Enforcement Tracking Number** and **Agency Interest Number** on the front of this document on all correspondence in response to this action.

Sincerely,

A handwritten signature in black ink, appearing to read "Harold Leggett". The signature is written in a cursive style with a large initial "H".

Harold Leggett, Ph.D.  
Assistant Secretary  
Office of Environmental Compliance

HL/CDE/cde

c: Arkla Disposal Services, Inc.  
10845 La. Highway 1 South  
Shreveport, LA 71115

Alt ID No. LAU004729



**DEPARTMENT OF ENVIRONMENTAL QUALITY**

KATHLEEN BABINEAUX BLANCO  
GOVERNOR

MIKE D. McDANIEL, Ph.D.  
SECRETARY

December 7, 2006

CERTIFIED MAIL (7004 1160 0000 3795 3334)  
RETURN RECEIPT REQUESTED

**ARKLA DISPOSAL SERVICES, INC.**

c/o David Klotz  
Agent of Service  
509 Milam Street  
Shreveport, LA 71115

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. WE-CN-06-0403  
AGENCY INTEREST NO. 29835**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **ARKLA DISPOSAL SERVICES, INC. (RESPONDENT)**.

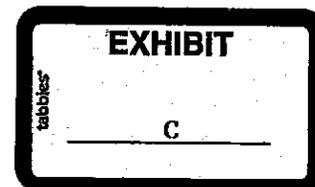
Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. Any violation of the conditions and requirements contained in this **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Celena J. Cage at (225) 219-3714.

Sincerely,

Peggy M. Hatch  
Administrator  
Enforcement Division

PMH/CJC/cjc  
Alt. ID. No. LAU004729  
Attachment



**ENVIRONMENTAL COMPLIANCE**

: PO BOX 4312, BATON ROUGE, LA 70821-4312  
P:225-219-3700 F:225-219-3708  
WWW.DEQ.LOUISIANA.GOV

c: Arkla Disposal Services, Inc.  
10845 Louisiana Highway I South  
Shreveport, LA 71115

**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE**

**IN THE MATTER OF**

**ARKLA DISPOSAL  
SERVICES, INC.  
CADDO PARISH  
ALT ID NOS. LA0122432; LAU004729**

\*  
\*  
\*  
\* **ENFORCEMENT TRACKING NO.**  
\*  
\* **WE-CN-06-0403**  
\*  
\* **AGENCY INTEREST NO.**  
\*  
\* **29835**  
\*  
\*

**PROCEEDINGS UNDER THE LOUISIANA  
ENVIRONMENTAL QUALITY ACT,  
La. R.S. 30:2001, ET SEQ.**

**CONSOLIDATED  
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **ARKLA DISPOSAL SERVICES, INC. (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

**FINDINGS OF FACT**

1.

The Respondent owns and/or operates a Centralized Waste Treatment (CWT) facility which is located at 10865 La. Highway 1 South in Shreveport, Caddo Parish, Louisiana. On or about March 3, 2003, the City of Shreveport issued Permit Number CIU-013 to the Respondent authorizing the discharge of process wastewater from its facility into the City's sewer system.

On or about September 14, 2006, the Department received a Louisiana Pollutant Discharge Elimination System (LPDES) Industrial Wastewater Discharge Permit Application (form SCC-2) from the Respondent, which was determined administratively complete on or about September 18, 2006. Via a Cease and Desist Order, Revocation of Permit and Order to Terminate Discharge, Docket No. 2006-008, which was issued on November 14, 2006, the Respondent was ordered to cease, desist and terminate any discharges into the City's sewer system within 30 days of issuance of the action. The Respondent does not have a LPDES permit or other authorization to discharge into waters of the state.

II.

**NOTICE OF POTENTIAL PENALTY WE-PP-06-0283** was issued to the Respondent on or about September 18, 2006 for unauthorized discharges of contaminated well water into the Red River, waters of the state. **NOTICE OF POTENTIAL PENALTY WE-PP-06-0283** is a final action of the Department and not subject to further review.

III.

On or about November 20, 2006, the Respondent submitted a correspondence to the Enforcement Division requesting interim authorization from the Department to operate and/or discharge into waters of the state from this facility until a final LPDES permit is issued by the Department.

**COMPLIANCE ORDER**

Based on the foregoing, the Respondent is hereby ordered:

1.

To protect water quality in the event of a discharge, the Respondent shall comply with the following:

A) The point of discharge is hereby designated as Outfall 002. The discharge(s) from this facility's operation shall be monitored at Outfall 002 prior to entering waters of the state of Louisiana. The Respondent shall monitor and report all discharges from Outfall 002 under the following interim limitations, and monitoring and reporting requirements until June 30, 2007, the date which authorization to discharge under this **COMPLIANCE ORDER** terminates. If a final LPDES permit has not been issued to become effective on or before July 1, 2007, the Respondent may submit an additional request to the Enforcement Division to reissue interim authorization to operate and discharge into waters of the state until a final LPDES permit is issued.

**INTERIM LIMITS**  
**OUTFALL 002 – TREATED INDUSTRIAL AND HAZARDOUS WASTEWATERS**  
**AND EXPLORATION AND PRODUCTION WASTEWATERS**

Effluent Characteristic	Discharge Limitations		Monitoring Requirements	
	Monthly Average	Daily Maximum	Measurement Frequency	Sample Type
Flow	Report	Report	Once/batch	Measure <sup>1</sup>
BOD <sub>5</sub>	53 mg/l	163 mg/l	One batch/week	Composite <sup>6</sup>
TSS	11.3 mg/l	29.6 mg/l	Once/batch	Composite
Oil and Grease	---	15 mg/l	Once/batch	Grab
TOC	---	50 mg/l	Once/batch	Composite
COD	200 mg/L	400 mg/L	Once/batch	Composite
Total Antimony	0.0312 mg/l	0.111 mg/l	Once/batch	Composite
Total Arsenic	0.0199 mg/l	0.0993 mg/l	Once/batch	Composite
Total Barium	Report	Report	Once/batch	Composite
Total Cadmium	0.0102 mg/l	0.0172 mg/l	Once/batch	Composite
Total Chromium	0.0522 mg/l	0.150 mg/l	Once/batch	Composite
Total Cobalt	0.0703 mg/l	0.182 mg/l	Once/batch	Composite
Total Copper	0.216 mg/l	0.500 mg/l	Once/batch	Composite
Total Lead	---	0.150 mg/l	Once/batch	Composite
Total Mercury	0.000246 mg/l	0.000641 mg/l	Once/batch	Composite
Molybdenum	1.50 mg/l	---	Once/batch	Composite
Total Nickel	0.309 mg/l	0.500 mg/l	Once/batch	Composite
Total Selenium	0.0698 mg/l	0.100 mg/l	Once/batch	Composite
Total Silver	0.0122 mg/l	0.0318 mg/l	Once/batch	Composite
Total Tin	0.0367 mg/l	0.0955 mg/l	Once/batch	Composite
Total Titanium	0.00612 mg/l	0.0159 mg/l	Once/batch	Composite
Total Vanadium	0.0518 mg/l	0.0628 mg/l	Once/batch	Composite
Total Zinc	0.252 mg/l	0.657 mg/l	Once/batch	Composite
Acetone	7.97 mg/l	30.2 mg/l	One batch/week	Composite
Acetophenone	0.0562 mg/l	0.114 mg/l	One batch/week	Composite

Bis (2-ethylhexyl) phthalate	---	0.100 mg/l	One batch/week	Composite
2-Butanone	1.85 mg/l	4.81 mg/l	One batch/week	Composite
Butylbenzyl phthalate	---	0.100 mg/l	One batch/week	Composite
Carbazole	0.276 mg/l	0.598 mg/l	One batch/week	Composite
o-Cresol	0.561 mg/l	1.92 mg/l	One batch/week	Composite
p-Cresol	0.205 mg/l	0.698 mg/l	One batch/week	Composite
n-Decane	0.437 mg/l	0.948 mg/l	One batch/week	Composite
Fluoranthene	0.0268 mg/l	0.0537 mg/l	One batch/week	Composite
n-Octadecane	0.302 mg/l	0.589 mg/l	One batch/week	Composite
Phenol	---	0.100 mg/l	One batch/week	Grab
Pyridine	0.182 mg/l	0.370 mg/l	One batch/week	Composite
2,4,6-Trichlorophenol	---	0.100 mg/l	One batch/week	Composite
Chlorides	---	500 mg/l	One batch/week	Composite
Total BTEX	2.13 mg/l <sup>2</sup>	---	Once/batch	Composite
Cyanide	0.205 mg/l	0.487 mg/l	Once/batch	Composite
Sulfates	---	1065.49 mg/l	Once/batch	Composite
Total Dissolved Solids	---	780 mg/l	Once/batch	Composite
Priority Pollutants <sup>3</sup>	Report	Report	One batch/month	Composite
Radiation	Report	Report	One batch/month	Composite
TTO <sup>4</sup>	---	2.13 mg/l	One batch/month	Composite
pH (standard units)	6.0 (minimum)	9.0 (maximum)	Once/batch	Grab
Biomonitoring <sup>5</sup>	---	---	Once/quarter	Composite <sup>6</sup>

In addition, all discharges are subject to the following conditions:

1. There shall be no discharge of free oil or other materials, which could result in the formation of a visible sheen. There shall be no discharge of any oily sludge or any other materials which would result in the formation of long-term bottom deposits of slime or sludge. There shall be no discharge of any substance which would result in the formation of distinctly visible floating solids, foam, or scum, in other than trace amounts.
2. There shall be no discharge of toxic substances in quantities sufficient to cause acute or chronic toxicity to aquatic organisms.

3. The Respondent shall install and properly operate and maintain a flow measuring device and a composite sampler and/or other devices to achieve compliance with the conditions of this **COMPLIANCE ORDER**. The composite sampler shall be installed and operated to collect a minimum of four (4) grab samples of the effluent at regular intervals over a normal operating day and combined in proportion to flow over a 8-hour period. Proper operation and maintenance of these devices shall include calibrations per manufacturer's specification.

Footnotes:

<sup>1</sup>The Respondent shall install and properly operate and maintain a flow measuring device and a composite sampler and/or other devices to achieve compliance with the conditions of this **COMPLIANCE ORDER**. Proper operation and maintenance of these devices shall include calibrations per manufacturer's specification.

<sup>2</sup>Total BTEX shall be measured as the sum of benzene, toluene, ethylbenzene, ortho-xylene, meta-xylene, and para-xylene, as qualified by EPA Methods 602, 624, 8020, or 8240.

<sup>3</sup>The Respondent shall sample and analyze the effluent from this facility for the Priority Pollutants contained in Attachment A at the specified frequency.

<sup>4</sup>The term "TTO" shall mean total toxic organics, which is the summation of all quantifiable values greater than .01 milligrams per liter for the toxic organics indicated in Attachment B.

<sup>5</sup>In accordance with EPA's Region 6 Post-Third Round Toxics Strategy and due to the reasonable potential of the effluent from this facility to demonstrate toxic effects to aquatic species, biomonitoring is being included as a effluent characteristic in this **COMPLIANCE ORDER**. The biomonitoring requirements and conditions are contained in Attachment C.

<sup>6</sup>The term "composite" sample type shall be comprised of a sample of a minimum of four (4) grab samples of effluent collected at regular intervals over a normal operating day and combined in proportion to flow over a 8-hour period.

The Respondent shall comply with the General Criteria for water quality standards listed in LAC 33:IX.1113.B. Samples taken in compliance with the monitoring requirements specified above shall be taken at the point of discharge from the last treatment unit prior to mixing with other waters.

Samples and measurements shall be representative of the volume and nature of the discharge and collected and analyzed according to the requirements of LAC 33:IX.2701.J.

Written results of laboratory analyses conducted in accordance with the interim limitations and monitoring requirements of this **COMPLIANCE ORDER** must be submitted to the Northwest Regional Office prior to commencement of any discharge that occurs during the Department's core business hours of 8:00 a.m. until 4:30 p.m. Monday through Friday.

The results of laboratory analyses performed of each discharge that occurs outside of the Department's core business hours (i.e., discharges that occur after 4:30 p.m. but prior to 8:00 a.m. Monday through Friday, during the weekend and on holidays) shall be submitted to the Northwest Regional Office by 8:00 a.m. of the next business day.

All sample analyses must have been performed within thirty (30) working days of the proposed commencement of discharge.

Monitoring results from all sample analyses shall be reported on Discharge Monitoring Reports (DMRs) (EPA Form 3320-1) and forwarded to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
Attention: Permit Compliance

DMRs shall be submitted no later than the twenty-eighth (28) day of the month following the monitoring period specified in this **COMPLIANCE ORDER**. The first report is due on the 28th day of the first full month following issuance of **COMPLIANCE ORDER WE-CN-06-0403**. The Respondent shall continue the submission of DMRs by the twenty-eighth (28) day of each month until otherwise notified in writing by this Department. **COMPLIANCE ORDER, WE-CN-06-0403, AI# 29835, LAU004792 and LA0122432** should be referenced on all DMRs submitted in accordance with this **COMPLIANCE ORDER**. Instructions for the proper completion of DMRs and examples of properly completed DMRs may be found on the Department's website at <http://www.deq.louisiana.gov/enforcement/index.htm>. Blank DMR forms may also be downloaded from this website.

In addition to submitting signed and certified DMRs, a written statement shall accompany the DMRs certifying that all parameters were within permit limits prior to the effluent being discharged into waters of the state.

The Respondent shall maintain a daily log of each wastewater type proposed to be treated and the date that the wastewater was discharged. The daily logs shall be kept on site and made available to the Department upon request.

The Respondent shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Respondent to achieve compliance with the conditions of these interim limitations and monitoring requirements. Proper operation and maintenance also includes adequate laboratory controls and appropriate quality assurance procedures. This provision requires the operation of back-up auxiliary facilities or similar systems that are installed by a facility only when the operation is necessary to achieve compliance with the conditions of these interim limitations and monitoring requirements.

Prior to commencement of the initial discharge from this facility, the Respondent shall submit to the Department an Initial Certification Statement that is signed by the responsible corporate officer as defined in LAC 33:IX.2503. The statement shall:

1. list and describe the subcategories of wastes accepted for treatment at this facility;
2. list and describe the treatment systems in-place at the facility;

3. describe the conditions under which the treatment systems are operated for the subcategories of wastes accepted;
4. include supporting data establishing that the treatment systems will achieve the appropriate level of treatment before discharge.

Every calendar month after the Initial Certification Statement, the Respondent shall submit a written Certification Statement to the Department stating that the facility is operating its treatment system(s) at the appropriate level of treatment as set forth in the initial certification. Each certification statement shall be submitted no later than the twenty-eight (28th) day of the month following the monitoring period specified in this **COMPLIANCE ORDER**

In the event any treatment systems are modified, the Respondent shall submit:

1. a description of the modified system;
2. any information establishing that the modified system will achieve the appropriate level of treatment, and
3. any supporting data establishing that the modified system will achieve the appropriate level of treatment.

All certification statements must be signed by the responsible corporate officer as defined in LAC 33:IX.2504. Submission of the periodic certification statements shall continue until July 1, 2007.

If the Daily Maximum limitation on any parameter is exceeded, the Respondent shall report said excursion(s) in writing to the Office of Environmental Compliance, within five (5) working days after becoming aware of the violations. **COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY WE-CN-06-0403, AI# 29835, LAU004729 and LA0122432** should be referenced on all such reports submitted in accordance with this **COMPLIANCE ORDER**. The report shall include the date, time, and duration of the noncompliance; the details of the circumstances and events leading to the noncompliance; the corrective actions taken or to be taken to correct the noncompliance and if not corrected, the anticipated time the noncompliance is expected to continue; the procedures or measures taken or to be taken to pre-R-vent recurrence of the noncompliance; and a determination of whether or not the noncompliance was preventable.

Within sixty (60) days of receipt of this **COMPLIANCE ORDER**, the Respondent shall prepare, implement and maintain a Stormwater Pollution Prevention Plan (SWP3) as described in EPA document 832-R-92-006 (Storm Water Management for Industrial Activities). The plan shall be made available to the Department upon request.

These interim limitations and monitoring requirements do not convey any property rights of any sort.

**B) If the Respondent does not choose to discharge to waters of the state, the Respondent shall, within thirty (30) days after receipt of this COMPLIANCE ORDER, provide written documentation to the Department that no activities exist at the Respondent's facility resulting in any unauthorized discharges to waters of the state.**

**III.**

To notify the Enforcement Division within fifteen (15) days of receipt of a final LPDES permit issued by the Department.

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

**I.**

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

**II.**

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the **Enforcement Tracking Number** and **Agency Interest Number**, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
**Attn: Hearings Clerk, Legal Division**  
**Re: Enforcement Tracking No. WE-CN-06-0403**  
**Agency Interest No. 29835**

## III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

## IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

## V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

## VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's

failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

**NOTICE OF POTENTIAL PENALTY**

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Celena J. Cage at (225) 219-3714 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

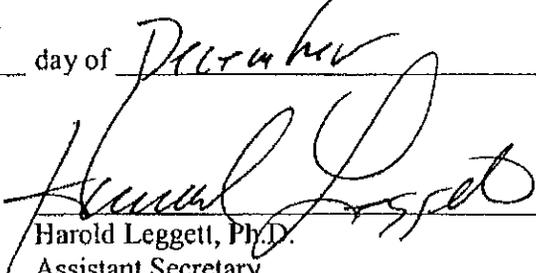
The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current

annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 7 day of December, 2006.

  
\_\_\_\_\_  
Harold Leggett, Ph.D.  
Assistant Secretary  
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Celena J. Cage

c: Mr. Charles Faultry  
U. S. EPA, Region 6

Mr. Jeremy Franklin  
LDEQ, Permits Division

c: Arkla Disposal Services, Inc.  
10845 Louisiana Highway 1 South  
Shreveport, LA 71115

## ATTACHMENT A

## PRIORITY POLLUTANTS

### METALS, CYANIDE, AND TOTAL PHENOLS

POLLUTANT NAME	EPA REQUIRED MQL (MG/L)	EPA TEST METHOD
ANTIMONY	60	200.7
ARSENIC	10	206.2
BERYLLIUM	5	200.7
CADMIUM	1	213.2
CHROMIUM (III)	10	200.7
CHROMIUM (VI)	10	200.7
TOTAL CHROMIUM	10	200.7
COPPER	10	220.2
CYANIDE (TOTAL)	20	335.3
MERCURY	0.2	245.1
LEAD	5	239.2
NICKEL	40	200.7
SELENIUM	5	270.2
SILVER	2	272.2
THALLIUM	10	279.2
ZINC	20	289.2
PHENOLS, TOTAL	5	420.1

### VOLATILE COMPOUNDS

POLLUTANT NAME	EPA REQUIRED MQL (MG/L)	EPA TEST METHOD
ACROLEIN	50	624
ACRYLONITRILE	50	624
BENZENE	10	624
BROMODICHLOROMETHANE	10	624
BROMOFORM	10	624
CARBON TETRACHLORIDE	10	624
CHLOROETHANE	50	624
CHLOROETHYL VINYL-2 ETHER	10	624
CHLOROFORM	10	624
CHLOROBENZENE	50	624
1,1-DICHLOROETHANE	10	624
1,2-DICHLOROETHANE	10	624
1,1-DICHLOROETHENE	10	624
1,2-DICHLOROPROPANE	10	624
ETHYL BENZENE	10	624
1,3-DICHLOROPROPENE (CIS)	10	624
DIBROMOCHLOROMETHANE	10	624
METHYLENE CHLORIDE	20	624
METHYL BROMIDE	50	624
METHYL CHLORIDE	50	624

1,1,2,2-TETRACHLOROETHANE	10	624
1,2-TRANS-DICHLOROETHENE	10	624
1,1,1-TRICHLOROETHANE	10	624
1,1,2-TRICHLOROETHANE	10	624
TETRACHLOROETHENE	10	624
TOLUENE	10	624
TRICHLOROETHENE	10	624
VINYL CHLORIDE	10	624

*ACID COMPOUNDS*

POLLUTANT NAME	EPA REQUIRED MQL (MG/L)	EPA TEST METHOD
2-CHLOROPHENOL	10	625
3-CHLOROPHENOL	10	625
4-CHLOROPHENOL	10	625
4-CHLORO 3-METHYL PHENOL	10	625
2,3-DICHLOROPHENOL	10	625
2,4-DICHLOROPHENOL	10	625
2,5-DICHLOROPHENOL	10	625
2,6-DICHLOROPHENOL	10	625
3,4-DICHLOROPHENOL	10	625
2,4-DIMETHYLPHENOL	10	625
2,4-DINITROPHENOL	50	625
2-METHYL 4,6-DINITROPHENOL	50	625
2-NITROPHENOL	20	625
4-NITROPHENOL	50	625
PENTACHLOROPHENOL	50	625
PHENOL	10	625
2,4,6-TRICHLOROPHENOL	10	625

*PESTICIDES*

POLLUTANT NAME	EPA REQUIRED MQL (MG/L)	EPA TEST METHOD
ALDRIN	0.05	608
CHLORDANE	0.02	608
DDD-4,4	0.1	608
DDE-4,4	0.1	608
DDT-4,4	0.1	608
HEPTACHLOR	0.05	608
HEPTACHLOR EPOXIDE	0.05	608
HEXACHLOROCYCLOHEXANE-ALPHA(BHC)	0.05	608
HEXACHLOROCYCLOHEXANE-BETA(BHC)	0.05	608
HEXACHLOROCYCLOHEXANE-DELTA(BHC)	0.05	608
HEXACHLOROCYCLOHEXANE-GAMMA(LINDANE)	0.05	608
DIELDRIN	0.1	608
ENDOSULFAN I	0.1	608

ENDOSULFAN II	0.1	608
ENDOSULFAN SULFATE	0.1	608
ENDRIN	0.1	608
ENDRIN ALDEHYDE	0.1	608
PCB-1016	1	608
PCB-1221	1	608
PCB-1232	1	608
PCB-1242	1	608
PCB-1248	1	608
PCB-1254	1	608
PCB-1260	1	608
TOXAPHENE	5	608

*BASE/NEUTRAL COMPOUNDS*

POLLUTANT NAME	EPA REQUIRED MQL (MG/L)	EPA TEST METHOD
ACENAPHTHENE	10	625
ACENAPHTHYLENE	10	625
ANTHRACENE	10	625
BENZIDINE	50	625
BENZO(A)ANTHRACENE	10	625
3,4-BENZOFLUORANTHENE	10	625
BENZO(K)FLUORANTHENE	10	625
BENZO(A)PYRENE	10	625
DI-N-BUTYLPHTHALATE	10	625
BIS(2-CHLOROISOPROPYL)ETHER	10	625
4-BROMOPHENYL PHENYL ETHER	10	625
2-CHLORONAPHTHALENE	10	625
4-CHLOROPHENYL PHENYL ETHER	10	625
CHRYSENE	10	625
DIBENZO(A,H)ANTHRACENE	20	625
BENZO(GH)PERYLENE	20	625
BENZYL BUTYL PHTHALATE	10	625
BIS(2-CHLOROETHYL)ETHER	10	625
BIS(2- CHLOROETHOXY)METHANE	10	625
BIS(2-ETHYLHEXYL)PHTHALATE	10	625
DI-N-OCTYLPHALATE	10	625
1,2-DIPHENYLHYDRAZINE	20	625
FLUORANTHENE	10	625
FLUORENE	10	625
HEXACHLOROBENZENE	10	625
HEXACHLOROBUTADIENE	10	625
HEXACHLOROCYCLOPENTADIENE	10	625
HEXACHLOROETHANE	10	625
INDENO(1,2,3-CD)PYRENE	10	625
1,2-DICHLOROBENZENE	10	625
1,3-DICHLOROBENZENE	10	625
1,4-DICHLOROBENZENE	10	625
3,3-DICHLOROBENZIDINE	50	625

DIETHYL PHTHALATE	10	625
DIMETHYL PHTHALATE	10	625
2,4-DINITROTOLUENE	10	625
2,6-DINITROTOLUENE	10	625
ISOPHORONE	10	625
NAPHTHALENE	10	625
NITROBENZENE	10	625
N-NITROSODIMETHYLAMINE	50	625
N-NITROSODIPHENYLAMINE	20	625
N-NITROSODI-N-PROPYLAMINE	20	625
PHENANTHRENE	10	625
PYRENE	10	625
1,2,4-TRICHLOROBENZENE	10	625

*HAZARDOUS SUBSTANCES*

POLLUTANT NAME	EPA REQUIRED MQL (MG/L)	EPA TEST METHOD
2,4-D (2,4-DICHLOROPHENOXY ACETIC ACID)	10	6640B
2,4,5-TP (SILVEX)	4	6640B

## **ATTACHMENT B**

## TOTAL TOXIC ORGANICS

### VOLATILES

ACROLEIN	CHLOROETHANE	1,2-DICHLOROPROPANE	TETRACHLOROETHYLENE
ACRYLONITRILE	2-CHLOROETHYL VINYL ETHER	1,3-DICHLOROPROPYLENE	TOLUENE
BENZENE	CHLOROFORM	ETHYLBENZENE	1,2-TRANS-DICHLOROETHYLENE
BROMOFORM	DICHLOROBROMOMETHANE	METHYL BROMIDE	1,1,1-TRICHLOROETHANE
CARBON TETRACHLORIDE	1,1-DICHLOROETHANE	METHYL CHLORIDE	1,1,2-TRICHLOROETHANE
CHLOROBENZENE	1,2-DICHLOROETHANE	METHYLENE CHLORIDE	TRICHLOROETHYLENE
CHLORODIBROMOMETHANE	1,1-DICHLOROETHYLENE	1,1,2,2-TETRACHLOROETHANE	VINYL CHLORIDE
XYLENE			

### ACID COMPOUNDS

2-CHLOROPHENOL	2,4-DICHLOROPHENOL	2,4-DIMETHYLPHENOL	4,6-DINITRO-O-CRESOL
2,4-DINITROPHENOL	2-NITROPHENOL	4-NITROPHENOL	P-CHLORO-M-CRESOL
PENTACHLOROPHENOL	PHENOL	2,4,6-TRICHLOROPHENOL	

### BASE/NEUTRAL

ACENAPHTHENE	ACENAPHTHYLENE	ANTHRACENE	BENZIDINE
BENZO(A)ANTHRACENE	BENZO(A)PYRENE	3,4-BENZOFLUORANTHENE	BENZO(GH)PERYLENE
BENZO(K)FLUORANTHENE	BIS(2-CHLOROETHOXY)METHANE	BIS(2-CHLOROETHYL)ETHER	BIS(2-CHLOROISOPROPYL)ETHER
BIS(2-ETHYLHEXYL)PHTHALATE	4-BROMOPHENYL PHENYL ETHER	BUTYLBENZYL PHTHALATE	2-CHLORONAPHTHALENE
4-CHLOROPHENYL PHENYL ETHER	CHRYSENE	DIBENZO(A,H)ANTHRACENE	1,2-DICHLOROBENZENE
1,3-DICHLOROBENZENE	1,4-DICHLOROBENZENE	3,3'-DICHLOROBENZIDINE	DIETHYL PHTHALATE
DIMETHYL PHTHALATE	2,6-BIS(DI-N-BUTYL)PHTHALATE	2,4-DINITROTOLUENE	2,6-DINITROTOLUENE
DI-N-OCTYL PHTHALATE	1,2-DIPHENYLHYDRAZINE (AS AZOBENZENE)	FLUORANTHENE	FLUORENE
HEXACHLOROBENZENE	HEXACHLOROBUTADIENE	HEXACHLOROCYCLOPENTADIENE	HEXACHLOROETHANE
INDENO(1,2,3-	ISOPHORONE	NAPHTHALENE	NITROBENZENE

CD)PYRENE			
N-NITROSODIMETHYLAMINE	N-NITROSODI-N-PROPYLAMINE	N-NITROSODIPHENYLAMINE	PHENANTHRENE
PYRENE	1,2,4-TRICHLOROBENZENE		

*PESTICIDES*

ALDRIN	ALPHA-BHC	BETA-BHC	GAMMA-BHC
DELTA-BHC	CHLORDANE	4,4'-DDT	4,4'-DDE
4,4'-DDD	DIELDRIN	ALPHA-ENDOSULFAN	BETA-ENDOSULFAN
ENDOSULFAN SULFATE	ENDRIN	ENDRIN ALDEHYDE	HEPTACHLOR
HEPTACHLOR EPOXIDE	TOXAPHENE	PCB-1242	PCB-1254
PCB-1221	PCB-1232	PCB-1248	PCB-1260
PCB-1016			

## ATTACHMENT C

**WHOLE EFFLUENT TOXICITY LIMITS (7- DAY CHRONIC NOEC: FRESHWATER)**

**1. SCOPE AND METHODOLOGY**

- a. The RESPONDENT shall test the effluent for toxicity in accordance with the provisions in this section.

APPLICABLE TO FINAL OUTFALL(S):	<b>OUTFALL 002</b>
REPORTED ON DMR AS OUTFALL:	<b>OUTFALL 002</b>
CRITICAL DILUTION (%):	<b>10%</b>
EFFLUENT DILUTION SERIES (%):	<b>4%, 6%, 8%, 10%, 14%</b>
COMPOSITE SAMPLE TYPE:	<b>Defined at PART I</b>
TEST SPECIES/METHODS:	<b>40 CFR Part 136</b>

Ceriodaphnia dubia chronic static renewal survival and reproduction test, Method 1002.0, EPA-821-R-02-013, or the most recent update thereof. This test should be terminated when 60% of the surviving females in the control produce three broods or at the end of eight days, whichever comes first.

Pimephales promelas (Fathead minnow) chronic static renewal 7-day larval survival and growth test, Method 1000.0, EPA-821-R-02-013, or the most recent update thereof. A minimum of five (5) replicates with ten (10) organisms per replicate must be used in the control and in each effluent dilution of this test.

- b. The NOEC (No Observed Effect Concentration) is defined as the greatest effluent dilution at and below which lethality that is statistically different from the control (0% effluent) at the 95% confidence level does not occur.
- c. When the testing frequency stated above is less than monthly and the effluent fails the survival endpoint at or below the critical dilution, the RESPONDENT shall be considered in violation of this COMPLIANCE ORDER limit and the frequency for the affected species will increase to monthly until such time compliance with the Lethal No Observed Effluent Concentration (NOEC) effluent limitation is demonstrated for a period of three consecutive months, at which time the RESPONDENT may return to the testing frequency stated in this COMPLIANCE ORDER. During the period the RESPONDENT is out of compliance, test results shall be reported on the DMR for that reporting period.
- d. This COMPLIANCE ORDER may be amended to require chemical specific effluent limits, additional testing, and/or other appropriate actions to address toxicity.
- e. Test failure is defined as a demonstration of statistically significant sub-lethal or lethal effects to a test species at or below the effluent critical dilution.

## 2. REQUIRED TOXICITY TESTING CONDITIONS

### a. Test Acceptance

The **RESPONDENT** shall repeat a test, including the control and all effluent dilutions, if the procedures and quality assurance requirements defined in the test methods or in this **COMPLIANCE ORDER** are not satisfied, including the following additional criteria:

- i. The toxicity test control (0% effluent) must have survival equal to or greater than 80%.
- ii. The mean number of Ceriodaphnia dubia neonates produced per surviving female in the control (0% effluent) must be 15 or more.
- iii. 60% of the surviving control females must produce three broods.
- iv. The mean dry weight of surviving Fathead minnow larvae at the end of the 7 days in the control (0% effluent) must be 0.25 mg per larva or greater.
- v. The percent coefficient of variation between replicates shall be 40% or less in the control (0% effluent) for: the young of surviving females in the Ceriodaphnia dubia reproduction test, the growth and survival of the Fathead minnow test.
- vi. The percent coefficient of variation between replicates shall be 40% or less in the critical dilution, unless significant lethal or nonlethal effects are exhibited for: the young of surviving females in the Ceriodaphnia dubia reproduction test; the growth and survival endpoints in the Fathead minnow test.

Test failure may not be construed or reported as invalid due to a coefficient of variation value of greater than 40%. A repeat test shall be conducted within the required reporting period of any test determined to be invalid.

### b. Statistical Interpretation

- i. For the Ceriodaphnia dubia survival test, the statistical analyses used to determine if there is a significant difference between the control and the critical dilution shall be Fisher's Exact Test as described in EPA-821-R-02-013, or the most recent update thereof.

If the conditions of Test Acceptability are met in Item 2.a above and the percent survival of the test organism is equal to or greater than 80% in the critical dilution concentration and all lower dilution concentrations, the test shall be considered to be a passing test, and the **RESPONDENT** shall report an NOEC of not less than the critical dilution for the DMR reporting requirements found in Item 3 below.

- ii. For the Ceriodaphnia dubia reproduction test and the Fathead minnow larval survival and growth test, the statistical analyses used to determine if there is a significant difference between the control and the critical dilution shall be in accordance with the methods for determining the No Observed Effect Concentration (NOEC) as described in EPA-821-R-02-013, or the most recent update thereof.

c. Dilution Water

- i. Dilution water used in the toxicity tests will be receiving water collected as close to the point of discharge as possible but unaffected by the discharge. The **RESPONDENT** shall substitute synthetic dilution water of similar pH, hardness, and alkalinity to the closest downstream perennial water where the receiving stream is classified as intermittent or where the receiving stream has no flow due to zero flow conditions.
- ii. If the receiving water is unsatisfactory as a result of instream toxicity (fails to fulfill the test acceptance criteria of Item 2.a), the **RESPONDENT** may substitute synthetic dilution water for the receiving water in all subsequent tests provided the unacceptable receiving water test met the following stipulations:
  - A. a synthetic dilution water control which fulfills the test acceptance requirements of Item 2.a was run concurrently with the receiving water control;
  - B. the test indicating receiving water toxicity has been carried out to completion (i.e., 7 days);
  - C. the **RESPONDENT** includes all test results indicating receiving water toxicity with the full report and information required by Item 3.a below; and
  - D. the synthetic dilution water shall have a pH, hardness, and alkalinity similar to that of the receiving water or closest downstream perennial water not adversely affected by the discharge, provided the magnitude of these parameters will not cause toxicity in the synthetic dilution water.

d. Samples and Composites

- i. The **RESPONDENT** shall collect a minimum of three flow-weighted 24-hour composite samples from the outfall(s) listed at item 1.a above. A 24-hour composite sample consists of a minimum of 4 effluent portions collected at equal time intervals representative of a 24-hour operating day and combined proportional to flow or a sample continuously collected proportional to flow over a 24-hour operating day.
- ii. The **RESPONDENT** shall collect second and third 24-hour composite samples for use during 24-hour renewals of each dilution concentration for each test. The **RESPONDENT** must collect the 24-hour composite samples such that the effluent samples are representative of any periodic episode of chlorination, biocide usage or other potentially toxic substance discharged on an intermittent basis.
- iii. The **RESPONDENT** must collect the 24-hour composite samples so that the maximum holding time for any effluent sample shall not exceed 72 hours. The **RESPONDENT** must have initiated the toxicity test within 36 hours after the collection of the last portion of the first 24-hour composite sample. Samples shall be chilled to 0-6 degrees Centigrade during collection, shipping and/or storage.
- iv. If the flow from the outfall(s) being tested ceases during the collection of effluent samples, the requirements for the minimum number of effluent samples, the

minimum number of effluent portions and the sample holding time are waived during that sampling period. However, the **RESPONDENT** must collect an effluent composite sample volume during the period of discharge that is sufficient to complete the required toxicity tests with daily renewal of effluent. When possible, the effluent samples used for the toxicity tests shall be collected on separate days if the discharge occurs over multiple days. The effluent composite sample collection duration and the static renewal protocol associated with the abbreviated sample collection must be documented in the full report required in Item 3 of this section.

### 3. REPORTING

- a. A valid test must be submitted during each reporting period. The **RESPONDENT** shall prepare a full report of the results of all tests conducted pursuant to this section in accordance with the Report Preparation Section of EPA-821-R-02-013, or the most current publication, for every valid or invalid toxicity test initiated whether carried to completion or not. The **RESPONDENT** shall retain each full report pursuant to the regulations contained at LAC 33:IX.2701.J.2. For any test which fails, is considered invalid, or which is terminated early for any reason, the full report must be submitted for agency review. The **RESPONDENT** shall submit the first full report to:

Department of Environmental Quality  
Office of Environmental Compliance  
P. O. Box 4312  
Baton Rouge, Louisiana 70821-4312  
Attn: Permit Compliance Unit

- b. The **RESPONDENT** shall report the Whole Effluent Lethality values for the 30-Day Average Minimum and the 7-Day Minimum under Parameter No. 22414 on the DMR for that reporting period in accordance with LAC 33:IX.2701.L.4.a.

If more than one valid test for a species was performed during the reporting period, the test NOECs will be averaged arithmetically and reported as the **DAILY AVERAGE MINIMUM NOEC** for that reporting period.

If more than one species is tested during the reporting period, the **RESPONDENT** shall report the lowest 30-Day Average Minimum NOEC and the lowest 7-Day Minimum NOEC for Whole Effluent Lethality.

A valid test for each species must be reported on the DMR during each reporting period specified in this **COMPLIANCE ORDER**. Only ONE set of biomonitoring data for each species is to be recorded on the DMR for each reporting period. The data submitted should reflect the LOWEST Survival results for each species during the reporting period. All invalid tests, repeat tests (for invalid tests), and retests (for tests previously failed) performed during the reporting period must be attached to the DMR for LDEQ review.

- c. The **RESPONDENT** shall submit the results of the valid toxicity test on the DMR for that reporting period in accordance with this **COMPLIANCE ORDER**, as follows below. Submit retest information clearly marked as such with the following month's DMR. Only results of valid tests are to be reported on the DMR. The **RESPONDENT** shall submit the Table 1 Summary Sheet with each valid test.

i. **Pimephales promelas** (Fathead Minnow)

- A. If the No Observed Effect Concentration (NOEC) for survival is less than the critical dilution, enter a "1"; otherwise, enter a "0" for Parameter No. TLP6C.
- B. Report the NOEC value for survival, Parameter No. TOP6C.
- C. Report the NOEC value for growth, Parameter No. TPP6C.
- D. If the No Observed Effect Concentration (NOEC) for growth is less than the critical dilution, enter a "1"; otherwise, enter a "0" for Parameter No. TGP6C.
- E. Report the highest (critical dilution or control) Coefficient of Variation, Parameter No. TQP6C.

ii. **Ceriodaphnia dubia**

- A. If the NOEC for survival is less than the critical dilution, enter a "1"; otherwise, enter a "0" for Parameter No. TLP3B.
- B. Report the NOEC value for survival, Parameter No. TOP3B.
- C. Report the NOEC value for reproduction, Parameter No. TPP3B.

- D. If the No Observed Effect Concentration (NOEC) for reproduction is less than the critical dilution, enter a "1"; otherwise, enter a "0" for Parameter No. TGP3B.
- E. Report the highest (critical dilution or control) Coefficient of Variation, Parameter No. TQP3B.

The **RESPONDENT** shall submit the toxicity testing information contained in Table 1 of this attachment with the DMR subsequent to each and every toxicity test reporting period. The DMR and the summary table should be sent to the Permit Compliance Unit address indicated above.

**TABLE 1  
SUMMARY SHEET  
Ceriodaphnia dubia SURVIVAL AND REPRODUCTION TEST**

RESPONDENT: \_\_\_\_\_  
 FACILITY SITE: \_\_\_\_\_  
 COMPLIANCE ORDER and LAU NUMBER: \_\_\_\_\_  
 OUTFALL IDENTIFICATION: \_\_\_\_\_  
 OUTFALL SAMPLE IS FROM \_\_\_\_\_ SINGLE \_\_\_\_\_ MULTIPLE DISCHARGE  
 BIOMONITORING LABORATORY: \_\_\_\_\_  
 DILUTION WATER USED: \_\_\_\_\_ RECEIVING WATER \_\_\_\_\_ LAB WATER  
 CRITICAL DILUTION \_\_\_\_\_ % DATE TEST INITIATED \_\_\_\_\_

**1. LOW-FLOW LETHALITY:**

Is the mean survival at 7 days significantly less ( $p=0.05$ ) than the control survival at the low-flow or critical dilution? \_\_\_\_\_ Yes \_\_\_\_\_ No

**PERCENT SURVIVAL - Ceriodaphnia**

TIME OF READING	PERCENT EFFLUENT					
	0 %	%	%	%	%	%
24-HOUR						
48-HOUR						
7-DAY						

**2. LOW-FLOW NON-LETHALITY:**

Is the mean number of young produced per female at 7 days significantly less ( $p=0.05$ ) than the control's number of young per female for the low-flow or critical dilution? \_\_\_\_\_ Yes \_\_\_\_\_ No

**NUMBER OF YOUNG PRODUCED PER FEMALE @ 7 DAYS - Ceriodaphnia**

REPLICATE	PERCENT EFFLUENT					
	0 %	%	%	%	%	%
A						
B						
C						
D						
E						
F						
G						
H						
I						
J						
Mean No. of young						
CV%*						

\* Coefficient of variation = Standard Deviation \* 100/mean

3. Are the test results to be considered valid?  Yes  No  
If X no (test invalid), what reasons for invalidity?

4. Is this a retest of a previous invalid test?  Yes  No  
Is this a retest of a previous test failure?  Yes  No

5. Enter percent effluent corresponding to each NOEC (No Observed Effect Concentration) for Ceriodaphnia:

a. NOEC SURVIVAL = \_\_\_\_\_ % effluent

b. NOEC REPRODUCTION = \_\_\_\_\_ % effluent



**DEPARTMENT OF ENVIRONMENTAL QUALITY**

KATHLEEN BABINEAUX BLANCO  
GOVERNOR

MIKE D. McDANIEL, Ph.D.  
SECRETARY

September 25, 2007

CERTIFIED MAIL (7004 1160 0001 9957 2244)  
RETURN RECEIPT REQUESTED

**ARKLA DISPOSAL SERVICES, INC.**

c/o John B. King, Atty.  
Agent of Service  
One American Place  
23rd Floor, 310 Main Street  
Baton Rouge, LA 70801

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. MM-CN-07-0119  
AGENCY INTEREST NO. 29835**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **ARKLA DISPOSAL SERVICES, INC. (RESPONDENT)** for the violations described therein.

Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Cheryl Easley at (225) 219-3717.

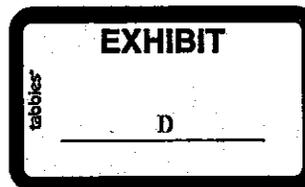
Sincerely,

Peggy M. Hatch  
Administrator

Enforcement Division

PMH/CDE/cde  
Alt ID Nos. LA0122432; LAU004729  
Attachment

c: Arkla Disposal Services, Inc.  
10845 La. Highway 1 South  
Shreveport, LA 71115



**ENVIRONMENTAL COMPLIANCE**

: PO BOX 4312, BATON ROUGE, LA 70821-4312  
P:225-219-3700 F:225-219-3708  
WWW.DEQ.LOUISIANA.GOV



On or about September 14, 2006, the Department received a Louisiana Pollutant Discharge Elimination System (LPDES) Industrial Wastewater Discharge Permit Application (form SCC-2) from the Respondent, which was determined administratively complete on or about September 18, 2006. Via a Cease and Desist Order, Revocation of Permit and Order to Terminate Discharge, Docket No. 2006-008, which was issued on November 14, 2006, the Respondent was ordered to cease, desist and terminate any discharges into the City's sewer system within 30 days of issuance of the action.

## II.

**NOTICE OF POTENTIAL PENALTY WE-PP-06-0283** was issued to the Respondent on or about September 18, 2006, for unauthorized discharges of contaminated well water into the Red River, waters of the state. **NOTICE OF POTENTIAL PENALTY WE-PP-06-0283** is a final action of the Department and not subject to further review.

## III.

On or about November 20, 2006, the Respondent submitted correspondence to the Enforcement Division requesting interim authorization from the Department to operate and/or discharge into waters of the state from this facility until issuance of a final LPDES permit.

## IV.

On or about December 7, 2006, **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY WE-CN-06-0403** was issued to the Respondent granting authorization to discharge treated industrial and hazardous wastewaters and exploration and production wastewaters to waters of the state under specific interim effluent limitations and monitoring and reporting requirements until June 30, 2007. An LPDES permit has not been issued to the Respondent.

## V.

On or about January 9-10, 2007, a sampling inspection was conducted at the Respondent's facility to determine compliance with the interim effluent limitations in **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY WE-CN-06-0403**. Laboratory analyses of samples collected during the inspection from Outfall 002 revealed that the Total Dissolved Solids (TDS) concentration exceeded the daily maximum interim limitation of 780 mg/L. Specifically, duplicate analyses of the sample revealed TDS concentrations of 810 mg/L and 813 mg/L. The exceedance is in violation of the terms and conditions of Consolidated Compliance Order and Notice of Potential Penalty WE-CN-06-0403, La. R.S. 30:2076 (A) (3), and LAC 33:IX.501.A.

## VI.

On or about April 3, 2007, the Respondent failed to determine if the wastewater treatment sludge managed in the drying bed is a hazardous waste. Specifically, wastewater treatment sludge that had been generated, mixed with cotton seed, and placed in the drying bed was further mixed with untreated oilfield waste tanker truck bottoms and wash waters prior to being shipped off site. The mixing of the sludge/cotton seed mixture with the oilfield waste generated a new solid waste requiring a hazardous determination. The failure to make a hazardous waste determination is in violation of LAC 33:V.1103.

## VII.

On or about April 3-5, 2007, an inspection of the Respondent's facility was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The inspectors noted that at the time of the inspection, the facility was operating without an air permit. As a result of the inspection, the Respondent performed an

air emission inventory evaluation and submitted the analysis to the inspector. The Department has reviewed the emissions evaluation submitted by the Respondent and has determined that operations at the facility require an air permit. The Respondent is required to comply in accordance with the procedures delineated in LAC 33:III.Chapter 5. The Respondent's failure to submit a timely and complete permit application to the Office of Environmental Services, Air Permits Division is a violation of LAC 33:III.501.C.1 and La. R.S. 30:2057 (A) (2) of the Act. Additionally, the Respondent's failure to obtain permit approval prior to the construction, modification, and/or operation of a facility which ultimately may have resulted in the initiation or increase in emission of air contaminants is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057 (A) (1) and 2057 (A) (2) of the Act.

#### VIII.

On or about May 9, 2007, a sampling inspection was conducted at the Respondent's facility to determine compliance with the interim effluent limitations in **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY WE-CN-06-0403**. Laboratory analysis of a sample collected during the inspection from Outfall 002 revealed a TDS concentration of 1,048 mg/L which exceeds the TDS interim effluent limitation of 780 mg/L. Additionally, laboratory analysis of a sample collected by the Respondent from its compositor during the same discharge event revealed a TDS concentration of 840 mg/L. The failure to comply with interim effluent limitations is in violation of the terms and conditions of Consolidated Compliance Order and Notice of Potential Penalty WE-CN-06-0403, La. R.S. 30:2076 (A) (3), and LAC 33:IX.501.A.

IX.

Further inspection conducted by the Department on or about May 9, 2007, disclosed that the Respondent failed to use test procedures approved under 40 CFR Part 136 for the collection of its oil and grease sample. Specifically, the Respondent collected its oil and grease sample in a plastic container and transferred the sample into a wide-mouthed glass container instead of collecting the sample initially in a wide-mouthed glass container. The failure to follow approved test procedures is in violation of the terms and conditions of Consolidated Compliance Order and Notice of Potential Penalty WE-CN-06-0403, La. R.S. 30:2076 (A) (3), and LAC 33:IX.501.A.

X.

On or about May 11, 2007, a sampling inspection was conducted at the Respondent's facility to determine compliance with the interim effluent limitations in **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY WE-CN-06-0403**. Laboratory analysis of a sample collected during the inspection from Outfall 002 revealed a TDS concentration of 984 mg/L which exceeds the TDS interim effluent limitation of 780 mg/L. The failure to comply with interim effluent limitations is in violation of the terms and conditions of Consolidated Compliance Order and Notice of Potential Penalty WE-CN-06-0403, La. R.S. 30:2076 (A) (3), and LAC 33:IX.501.A.

XI.

On or about May 29, 2007, the Respondent submitted correspondence to the Department requesting an extension to the interim discharge authorization contained in **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY WE-CN-06-0403**. The Respondent stated that it has no legal outlet for its effluent and will be forced to close its

doors, resulting in the loss of approximately forty employees, the termination of millions in local expenditures, and the disruption of, and higher costs for, the local oil and gas industry.

## XII.

A file review conducted by the Department on or about August 26, 2007, revealed that the Respondent failed to: timely report Chromium (III) and Chromium (VI) on its DMRs for December 2006 thru May 2007; failed to submit a completed original DMR for March 2007 by the twenty-eighth (28) day of the month following the monitoring period; and, failed to sample for 2,4-Dichlorophenoxy acetic acid and 2,4,5-TP (Silvex) for monitoring periods from December 2006 thru June 2007. In addition, on or about June 21, 2007, information obtained by the Department via a phone conference with the Respondent's representatives revealed that the Respondent failed to conduct biomonitoring testing of its effluent for the first quarter of 2007. The failure to report all parameters in a timely manner, submit DMRs by the twenty-eighth day of the month following the monitoring period, and conduct sampling and/or testing as required by **CONSOLIDATED COMPLIANCE ORDER AND NOTICE OF POTENTIAL PENALTY WE-CN-06-0403** is in violation of the terms and conditions of Consolidated Compliance Order and Notice of Potential Penalty WE-CN-06-0403, La. R.S. 30:2076 (A) (3), and LAC 33:IX.501.A.

## XIII.

Further file review conducted by the Department on or about August 26, 2007, disclosed that the Respondent failed to meet its interim effluent limitations for April 2007. Specifically, on the April 2007 DMR, the Respondent reported a TDS value of 1,400 mg/L which exceeds the TDS interim effluent limitation of 780 mg/L. The failure to comply with interim effluent

limitations is in violation of the terms and conditions of Consolidated Compliance Order and Notice of Potential Penalty WE-CN-06-0403, La. R.S. 30:2076 (A) (3), and LAC 33:IX.501.A.

XIV.

On or about June 28, 2007, the Department rescinded Consolidated Compliance Order and Notice of Potential Penalty WE-CN-06-0403.

**COMPLIANCE ORDER**

Based on the foregoing, the Respondent is hereby ordered:

I.

To perform a hazardous waste determination, upon receipt of this **COMPLIANCE ORDER**, for each new waste stream generated and meeting the definition of a "Solid Waste" as defined in LAC 33:V.109.Solid Waste and required by LAC 33:V.1103.

II.

To submit to the Office of Environmental Services, Air Permits Division, within sixty (60) days after receipt this **COMPLIANCE ORDER**, a complete air permit application in accordance with the procedures delineated in-LAC 33:III.Chapter 5. The Respondent shall also submit a copy of the cover page of the air permit application to the Office of Environmental Compliance, Air Enforcement Division.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this ~~COMPLIANCE ORDER, a written report that includes a detailed description of the~~  
~~circumstances surrounding the cited violations and actions taken or to be taken to achieve~~  
compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other

reports or information required to be submitted to the Enforcement Division by this

**COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attention: Cheryl Easley**  
**Enforcement Tracking No. MM-CN-07-0119**  
**Agency Interest No. 29835**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the **Enforcement Tracking Number** and **Agency Interest Number**, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302

---

**Attn: Hearings Clerk, Legal Division**

**Re: Enforcement Tracking No. MM-CN-07-0119**

**Agency Interest No. 29835**

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's ~~withdrawal of a request for hearing on this **COMPLIANCE ORDER**~~ shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

~~Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500)~~ for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more that thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's

failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

**NOTICE OF POTENTIAL PENALTY**

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

---

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Cheryl Easley at (225) 219-3717 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

III.

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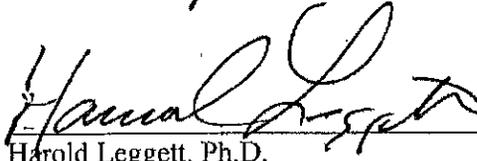
The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current

annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 25 day of September, 2007.



Harold Leggett, Ph.D.  
Assistant Secretary  
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Cheryl Easley

c: Ms. Carol Peters-Wagnon  
U.S. Environmental Protection Agency, Region 6



**DEPARTMENT OF ENVIRONMENTAL QUALITY**

KATHLEEN BABINEAUX BLANCO  
GOVERNOR

MIKE D. McDANIEL, Ph.D.  
SECRETARY

October 1, 2007

CERTIFIED MAIL (7004 2510 0005 5769 0274)  
RETURN RECEIPT REQUESTED

**ARKLA DISPOSAL SERVICES, INC.**  
c/o John B. King, Attorney  
Agent of Service  
One American Place  
301 Main Street, 23<sup>rd</sup> Floor  
Baton Rouge, LA 70801

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. RE-CN-07-0032  
AGENCY INTEREST NO. 29835**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **ARKLA DISPOSAL SERVICES, INC. (RESPONDENT)** for the violations described therein.

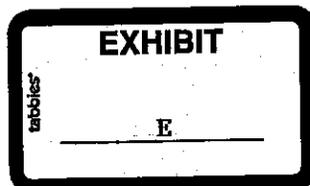
Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Kerstun Jones-Day at (225) 219-3669.

Sincerely,

Jeffrey P. Meyers  
Division Administrator  
Emergency and Radiological Services Division

JPM/kjd  
Alt ID No. LA-474A-N01  
Attachment



**ENVIRONMENTAL COMPLIANCE**  
: PO BOX 4312, BATON ROUGE, LA 70821-4312  
P:225-219-3700 F:225-219-3708  
WWW.DEQ.LOUISIANA.GOV

**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE**

<b>IN THE MATTER OF</b>	*	
	*	
<b>ARKLA DISPOSAL SERVICES, INC. CADDO PARISH ALT ID NO. LA-474A-N01</b>	*	<b>ENFORCEMENT TRACKING NO.</b>
	*	<b>RE-CN-07-0032</b>
	*	
	*	<b>AGENCY INTEREST NO.</b>
	*	
<b>PROCEEDINGS UNDER THE LOUISIANA ENVIRONMENTAL QUALITY ACT, La. R.S. 30:2001, <u>ET SEQ.</u></b>	*	<b>29835</b>
	*	
	*	

**CONSOLIDATED  
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **ARKLA DISPOSAL SERVICES, INC. (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

**FINDINGS OF FACT**

I.

The Respondent owns and/or operates a NORM registered site located at 10845 Highway 1 South in Shreveport, Caddo Parish, Louisiana. The facility was issued a NORM General License, LA-474A-N01, on January 26, 2007, by the Department.

II.

On or about August 25, 2006, and April 3-5, 2007, inspections were conducted by representatives of the Department. The following violations were discovered during the inspections and subsequent file review(s):

- A. The Respondent failed to dispose of licensed or registered sources of radiation by transfer to an authorized recipient as provided in LAC 33:XV.465 or in LAC 33:XV.Chapters 3, 13, or 14, or to the Department of Energy, in violation of LAC 33:XV.460.A.1.
- B. The Respondent failed to properly store NORM waste, in violation of LAC 33:XV.1408.A.6.a.
- C. The Respondent failed to have a program for screening incoming shipments, in violation of LAC 33:XV.1412.B.3.b.
- D. The Respondent failed to post financial security with the Department, in violation of LAC 33:XV.1420.
- E. The Respondent failed to satisfy all applicable licensing requirements specified in LAC 33:XV.301 and LAC 33:XV.1401 et seq., in violation of LAC 33:XV.1499.Appendix C.1.

## COMPLIANCE ORDER

Based on the foregoing, the Respondent is **hereby ordered**:

I.

To immediately institute, upon receipt of this **COMPLIANCE ORDER**, procedures to ensure licensed or registered sources of radiation are properly disposed of in accordance with LAC 33:XV.460.

II.

To immediately institute, upon receipt of this **COMPLIANCE ORDER**, procedures to ensure NORM is properly stored in accordance with LAC 33:XV.1408.A.

III.

To submit, within fifteen (15) days after receipt of this **COMPLIANCE ORDER**, a program for screening incoming shipments in accordance with LAC 33:XV.1412.B.3.b.

IV.

To post, within fifteen (15) days after receipt of this **COMPLIANCE ORDER**, financial security with the Department in accordance with LAC 33:XV.1420.

V.

To submit, within fifteen (15) days after receipt of this **COMPLIANCE ORDER**, an application to the Office of Environmental Compliance, Emergency and Radiological Services Division for a specific license in accordance with LAC 33:XV.Chapter 3 and LAC 33:XV.Chapter 14. The specific license information requested shall be certified by a professional engineer licensed by the State of Louisiana. The cover letter of the submitted

information shall include the following text: I certify that the engineering calculations, drawings, and design are true and accurate to the best of my knowledge.

PE Stamp

VI.

To immediately take, upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Radiation Protection Regulations.

VII.

To submit to the Emergency and Radiological Services Division; within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Emergency and Radiological Services Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attention: Kerstun Jones-Day**  
**Enforcement Tracking No. RE-CN-07-0032**  
**Agency Interest No. 29835**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the **Enforcement Tracking Number** and **Agency Interest Number**, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
**Attn: Hearings Clerk, Legal Division**  
**Re: Enforcement Tracking No. RE-CN-07-0032**  
**Agency Interest No. 29835**

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

## NOTICE OF POTENTIAL PENALTY

### I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

### II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Kerstun Jones-Day at (225) 219-3669 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

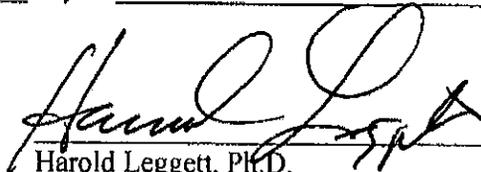
### III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 1 day of October, 2007.



Harold Leggett, Ph.D.  
Assistant Secretary  
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Emergency and Radiological Services Division  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Ann M. Troxler

## NORM SURVEY REPORT

LICENSEE: Arkla Disposal Service  
10845 Hwy. 1 South  
Shreveport, LA 71115

INSPECTION DATES: April 3, 2007-  
April 5, 2007

PARISH: Caddo

REPORT DATE: April 10, 2007

LICENSE/AI #: LA-474A-N01/29835

SURVEYED BY: Mark Chrisman  
Environmental Scientist III

ENTRANCE & EXIT INTERVIEW:  
John Tuma, President  
Jeri Dixon, Operations & Compliance  
Coordinator

REPORT BY: Mark Chrisman

---

**INTRODUCTION:**

The EPA conducted a multi-media investigation of Arkla Disposal Services, Inc., now operating under the name of CCS Energy Services. The lead investigator and head of the EPA contingent was Mr. Kenneth AuBuchon. Other EPA personnel were present as well as DEQ personnel from Headquarters and the NWRO. Also present were representatives with the City of Shreveport. Interviews with facility personnel and tours of the Arkla facility and treatment process were conducted under the direction of Mr. AuBuchon. My involvement with the investigation was to collect a discharge water sample and send it for radioisotope analysis as well as conduct a NORM survey of the various tanks and equipment at the facility.

**FACILITY DESCRIPTION:**

Arkla Disposal Services is classified as a Centralized Wastewater Treatment facility (CWT). Currently, the facility receives and treats oil and gas exploration and production (E & P) wastewaters as well as industrial wastewaters. Some hazardous wastewater is also accepted. The treated wastewater is discharged to the Red River via Outfall 002. Oil that is reclaimed from the treatment process is recycled. Part of the treatment process uses Baker filtration systems containing an OC Organoclay/Carbon Blend filter media. Sludges and solids recovered are dried and sent to landfills.

During an investigation conducted by the DEQ on August 25, 2006, it was discovered that certain tanks at the facility had survey meter readings that exceeded the 50  $\mu$ R/hr equipment surface reading exemption limit for NORM. A General License for NORM was applied for and granted by the Department (LA-474A-N01).

Arkla Disposal Service  
4/10/2007  
Page 2

#### WATER DISCHARGE SAMPLING:

On April 4, 2007, it was determined a composite sample of the treated water discharge from the facility would be obtained. I was informed by Ms. Jeri Dixon that the discharge would begin at about 2:30 PM. It would be water coming from off-site storage tank 18.1 and be approximately 600,000 gallons. This discharge would take about six hours. This water is routed through two 20,000 lb Baker filters for final "polishing" before going out discharge line 002 to the Red River. It was decided to take an additional composite sample at an access point upstream of the Baker filters for comparison.

The first 1 L sample was taken at 3:30 PM from the Outfall 002 sample port and another 1 L sample from a valve on a flow line in the South Building which was upstream of the Baker filters. This was repeated at 5:00, 6:30 and 8:00 PM till a total of four liters were obtained for each sample location. The two 4 L containers were preserved with HNO<sub>3</sub> to a pH of < 2 as instructed by the lab. The two samples remained in my custody until they could be shipped on April 5, 2007, to the National Air and Radiation Environmental Laboratory (NAREL) where they are to be analyzed for the effluent concentrations of Ra-226 and Ra-228 using Standard Methods 7500 Ra-C and 7500 Ra-D.

#### NORM SURVEY:

On April 5, 2007 I was accompanied by Ms. Dixon as I conducted a NORM survey using a microR meter of the various tanks and equipment at this facility. It should be noted that the uses of many of the tanks and the flow path of the treatment process are different from that observed by DEQ in August 2006. The meter readings obtained are detailed in the attached page.

I was able to observe the first shipment of spent Baker filter media. Ms. Dixon informed me it had been profiled for NORM and was going to the New Park Environmental NORM landfill near Winnie, TX. Each bag of spent media was about 4'X4'X4' and a total of about a dozen were loaded on a flatbed trailer. The highest meter reading obtained for the load was 160  $\mu$ R/hr.

I also inquired about a pile of solid material in the sludge/solids drying area. Ms. Dixon said this waste usually goes to the Magnolia Landfill near Monroe, LA operated by Waste Management. The highest meter reading obtained on this material was 80  $\mu$ R/hr.

Report By: Mark Chrisman Date: April 10, 2007

Reviewed By: Ann Troxler Date: August 2, 2007  
Ann Troxler, Manager

Arkla Disposal Service  
4/10/2007  
Page 3

### NORM READINGS WITH MICRO R METER

Ludlum Model 19 S/N 82772 Calibrated 11/27/06  
(Highest reading observed at each vessel in  $\mu\text{R/hr}$ )

#### North Building

Tank #1 40  
#2 28  
#3 28  
#4 40  
#5 32  
#6 32  
#7 70  
#8 30  
#9 16  
#10 100  
#11 32  
#12 38  
#13 10  
#14 12  
#15 70  
#16 14  
#30 20  
#31 16  
#32 22  
#43 12

#### South Building

Tank #N1 10  
#N2 20  
#N3 180  
#N4 180  
#N5 not installed  
#B4 130  
DAF 12

#### Other Areas

Tank #B1A 90  
#B1B Under repair  
#B1C Under repair  
#B2 14  
#B3 180  
#40 6  
#41 10  
#42 10

9000 lb Baker filters (by B1A) 32

Sludge Drying area 80

Used filter media 160

Notes: Background reading 6

20,000 lb Baker filters (by N. Building) 20

Roll-off boxes (Area U1) 10

002 Discharge line 100

Arkla Disposal Service  
4/10/2007  
Page 4

ADDENDUM  
Ann M. Troxler

The water sampling results for this inspection were received from NAREL (EPA) on June 5, 2007 and July 11, 2007. Sample results showed no levels above regulated amounts. Water going into the Baker filter contained the same amount of contamination as that coming out of it. These results are therefore inconclusive.

The results of this inspection and the inspection performed by DEQ on August 25, 2006, indicate that additional requirements are not being met by ARKLA. This facility is Approved by the Louisiana Office of Conservation (LOC) to receive E & P waste types: 01,04,08,09,10,11,and 14. These wastes contain solids and liquids that may both contain NORM. The facility is authorized by the LOC to perform Wastewater Treatment.

Arkla is designated by the LOC as a DEQ facility . That definition states that ARKLA is "permitted by the Louisiana Department of Environmental Quality (DEQ) under the provisions of LAC 33:V or VII .... and approved by the Office of Conservation, to receive E&P waste."

Under the Memorandum of Understanding between LDEQ and LDNR (LAC 33:XV.1499 Appendix C) a Commercial oilfield Waste Treatment Facility is required to obtain a **DEQ Specific License under LAC 33:XV.301 and 1401 et. seq. ARKLA has not applied for a Specific License and therefore is in violation of these regulations.**

Under LAC 33:XV.1401 ARKLA is required to comply with the radiation health and safety regulations for the possession, use, transfer, treatment, storage, and disposal of NORM. They have submitted an O & E procedure and it is being reviewed.

ARKLA has transferred dried sludge and solids recovered from their operations to the Mundy Landfill in Mansfield and Magnolia Landfill in Monroe. Samples of Waste Sludge collected during the August 25, 2006 inspection showed total Ra-226 and Ra-228 concentrations over 5 pCi/gm. **This is a violation of LAC 33:XV.460.A.1.**

No financial security has been submitted for this NORM treatment facility and this is a **violation of LAC 33:XV.1420.**

No procedure for screening incoming shipments for Ra-226 or Ra-228 has been submitted and that is a **violation of LAC 33:XV.1412.B.3.b.**

Arkla does not properly store NORM waste in a container. They had piles of sludge drying out on a cement area behind the facility. That is a **violation of LAC 33:XV.1408.A.**



**BOBBY JINDAL**  
GOVERNOR

**HAROLD LEGGETT, Ph.D.**  
SECRETARY

**State of Louisiana**  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE  
August 27, 2008

CERTIFIED MAIL (7004 1160 0001 9957 2367)  
RETURN RECEIPT REQUESTED

**CCS MIDSTREAM SERVICES, LLC**  
c/o Melissa Cresson  
Agent of Service  
301 Main Street, Suite 1800  
Baton Rouge, LA 70801

**RE: CONSOLIDATED COMPLIANCE ORDER  
& NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. WE-CN-08-0523  
AGENCY INTEREST NO. 29835**

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **CCS MIDSTREAM SERVICES, LLC (RESPONDENT)** for the violations described therein.

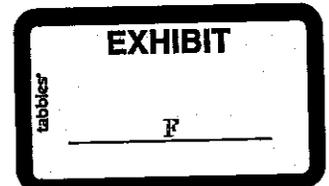
Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Cheryl Easley at (225) 219-3717.

Sincerely,

Lourdes Iturralde  
Administrator  
Enforcement Division

LI/CDE/cde  
Alt ID No. LAU004729  
Attachment



c: CCS Midstream Services, LLC  
10845 Highway 1 South  
Shreveport, LA 71115

**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE**

<b>IN THE MATTER OF</b>	*	
	*	
<b>CCS MIDSTREAM SERVICES, LLC</b>	*	<b>ENFORCEMENT TRACKING NO.</b>
<b>CADDO PARISH</b>	*	
<b>ALT ID NO. LAU004729</b>	*	<b>WE-CN-08-0523</b>
	*	
	*	<b>AGENCY INTEREST NO.</b>
	*	
<b>PROCEEDINGS UNDER THE LOUISIANA</b>	*	<b>29835</b>
<b>ENVIRONMENTAL QUALITY ACT,</b>	*	
<b>La. R.S. 30:2001, <u>ET SEQ.</u></b>	*	

**CONSOLIDATED  
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **CCS MIDSTREAM SERVICES, LLC (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

**FINDINGS OF FACT**

**I.**

The Respondent owns and/or operates an industrial waste water treatment plant located at 10845 U.S. Highway 1 in Shreveport, Caddo Parish, Louisiana. The Respondent does not have a Louisiana Pollutant Discharge Elimination System (LPDES) permit and/or other authority to discharge wastewater and/or storm water into waters of the state.

## II.

On or about May 14, 2008, the Respondent reported an unauthorized discharge of wastewater and/or contaminated storm water from its facility. On or about May 16, 2008, the Department conducted an inspection and noted that wastewater from the U-1 off-loading bay had overflowed to the east storm water retention pond, thence to a lowland pond area, thence to Rush Bayou, and thence to the Red River, waters of the state. The U-1 off-loading bay contained wastewater from the cleaning of commercial transportation tank trucks. The Respondent recovered some wastewater from the east storm water retention pond and pumped it back to the U-1 bay and into the N-3 storage tank. On or about May 19, 2008, the Respondent reported a small amount of pooled oil downstream of the discharge point and indicated that a contract remediation company had been hired to clean up the pooled oil. Samples collected during a follow-up inspection conducted by the Department on or about May 19, 2008, revealed the following results:

N3 tank		Retention pond/lowland pond area	
1,2-Dichloroethane	6,610 ppb	Chloride	6.5 ppm
		Sulfate	202 mg/L
		Lead	7.66 ug/L
Benzene	1,890 ppb	Rush Bayou	
Methylene Chloride	54,400 ppb	Oil & Grease	7.1 ppm
Oil & Grease	187 ppm	Chloride	3.5 ppm
Chloride	23,393 ppm	Chromium	20.0 ug/L
4,4'-DDE	0,240 ug/L	Copper	50.7 ug/L
4,4"-DDT	0.277 ug/L	Lead	14.9 ug/L
Chromium	2,590 ug/L	Zinc	96.4 ug/L
Copper	2,630 ug/L	Sulfate	207 mg/L
Nickel	48,200 ug/L		
Zinc	3,830 ug/L		
Sulfate	5,820 mg/L		

An additional oil and grease sample collected one thousand (1000) feet below the facility in Rush Bayou revealed a concentration of greater than 1,000 ppm. The Respondent's unauthorized discharge of wastewater and contaminated storm water is in violation of La. R. S. 30:2075, La. R. S. 30:2076 (A) (1) (a), La. R. S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.501.C, LAC 33:IX.501.D, and LAC 33:IX.2311.A.1.

### III.

Further inspections conducted on or about May 19 & 20, 2008, revealed that the Respondent did cause and/or allow an unauthorized discharge of storm water from a pipe at the facility's south storm water pond. The south storm water pond receives storm water runoff from the Respondent's new wastewater off-loading bay and several roll-off boxes and frac tanks containing industrial wastewater. Samples collected from the south storm water pond disclosed an oil and grease concentration of 8.2 ppm and a chloride concentration of 7.8 ppm. Additional investigation on or about May 27, 2008, disclosed that the Respondent removed the unpermitted storm water discharge pipe. The Respondent's unauthorized discharge of storm water is in violation of La. R. S. 30:2075, La. R. S. 30:2076 (A) (1) (a), La. R. S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.501.C, LAC 33:IX.501.D, and LAC 33:IX.2311.A.1.

### IV.

On or about June 13, 2008, the Respondent reported an overflow of wastewater from its east storm water retention pond to the lowland pond area east of the facility. The wastewater from the overflow did not leave the property and was pumped by a vacuum truck.

V.

On or about July 22, 2008, the Department received an Industrial Wastewater Permit Application (SCC-2) from the Respondent for its storm water discharges.

VI.

On or about August 20, 2008, an inspection was conducted by the Department in response to the Respondent's notification that its storm water pond was overflowing due to a storm water event. The inspection noted that storm water was draining off site from the southeast side of the facility to an unnamed tributary, thence to Rush Bayou, thence to the Red River, all waters of the state. Samples collected from the storm water discharge revealed the following concentrations of pollutants: Nickel – 5.7 ppb, Zinc – 10.5 ppb, Chloride – 27.3 ppm, and Sulfate – 45.1 ppm. The Respondent's unauthorized discharge of storm water is in violation of La. R. S. 30:2075, La. R. S. 30:2076 (A) (1) (a), La. R. S. 30:2076 (A) (3), LAC 33:IX.501.A, LAC 33:IX.501.C, LAC.33:IX.501.D, and LAC 33:IX.2311.A.1.

**COMPLIANCE ORDER**

Based on the foregoing, the Respondent is hereby ordered:

I.

To immediately cease, upon receipt of this **COMPLIANCE ORDER**, any and all unauthorized discharges of wastewater to waters of the state and comply with the Water Quality Regulations.

II.

To develop and implement, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a work plan to prevent and control unauthorized discharges of contaminated storm water to waters of the state. The plan shall be submitted to the Enforcement Division at the address listed in the next paragraph within thirty days after receipt of this **COMPLIANCE ORDER**.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attention: Cheryl Easley**  
**Enforcement Tracking No. WE-CN-08-0523**  
**Agency Interest No. 29835**

**THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:**

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

## II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the **Enforcement Tracking Number** and **Agency Interest Number**, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4302  
Baton Rouge, Louisiana 70821-4302  
Attn: **Hearings Clerk, Legal Division**  
Re: **Enforcement Tracking No. WE-CN-08-0523**  
**Agency Interest No. 29835**

## III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

## IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

## NOTICE OF POTENTIAL PENALTY

### I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

### II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Cheryl Easley at (225) 219-3717 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

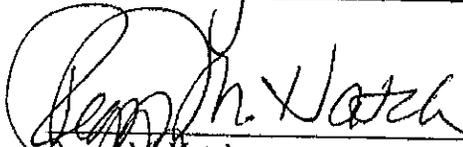
### III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 27<sup>th</sup> day of August, 2008.



Peggy M. Hatch  
Assistant Secretary  
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality  
Office of Environmental Compliance  
Enforcement Division  
P.O. Box 4312  
Baton Rouge, LA 70821-4312  
Attention: Cheryl Easley

BOBBY JINDAL  
GOVERNOR



HAROLD LEGGETT, Ph.D.  
SECRETARY

# State of Louisiana

DEPARTMENT OF ENVIRONMENTAL QUALITY  
ENVIRONMENTAL SERVICES

MAY 04 2009

**CERTIFIED MAIL 7005 1820 0002 2093 0245**

Mr. Jim Davis, General Manager  
CCS Midstream Services, L.L.C.  
10845 Highway 1 South  
Shreveport, Louisiana 71115

Re: Issuance of Order to Close OC-0363  
Rescission of Orders to Upgrade OU-0267, OU-0267A, OU-0267B  
Type I-A Surface Impoundment (Drying Bed)  
AI# 29835/GTP-017-6912/PER20090001  
Caddo Parish

Dear Mr. Davis:

We are in receipt of your letter dated January 27, 2009, regarding withdrawal of your permit application for the above referenced facility. As you know, Order to Upgrade OU-0267 required the submission of a permit application. However, based on your request to withdraw your solid waste permit application, we hereby rescind Order to Upgrade OU-0267, OU-0267A and OU-0267B and issue this Order to Close (OU-0363).

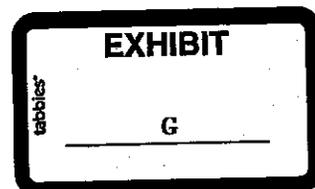
Please reference Agency Interest Number 29835, Facility Identification Number GTP-017-6912 and OC-0363 in all correspondence related to this Order. If you have any questions regarding this matter, please contact Sonya Eastern of the Waste Permits Division at (225) 219-3551.

Sincerely,

Cheryl Sonnier Nolan  
Assistant Secretary  
Office of Environmental Services

sc

c: Northwest Regional Office  
Jason Meyers – Waste Permits Division  
Lourdes Iturralde – Office of Environmental Compliance





II.

On August 8, 2005, an Order to Upgrade (OU-0267) was issued to the former Recipient (Arkla Disposal Services).

III.

On November 4, 2005, a Solid Waste permit application for the Type I-A processing facility was submitted on behalf of the former Recipient, in accordance with OU-0267.

IV.

On January 6, 2006, an Amended Order to Upgrade (OU-0267A) was issued by the Department to the former Recipient.

V.

On August 1, 2006, a Supplemental Order to Upgrade (OU-0267B) was issued to the former Recipient.

VI.

In correspondence dated May 24, 2007, the Recipient requested an approval of a minor modification to its Order to Upgrade OU-0276A, as amended to OU-0276B on August 1, 2006.

VII.

In correspondence dated August 1, 2007, the Recipient requested an "Amendment" to its Order to Upgrade OU-0276A, as amended to OU-0276B on August 1, 2006.

VIII.

On June 5, 2008, the Owner/Operator transfer from Arkla Disposal Services, Incorporated to CCS Midstream Services became effective.

IX.

In correspondence dated January 27, 2009, the Recipient requested approval for the withdrawal of the Permit Application submitted November 3, 2005, and all subsequent amendments and modifications to that application as referenced in Finding of Facts paragraphs VI and VII.

**ORDER**

Based on the foregoing findings of fact, the Recipient is **hereby ordered**:

I.

To submit to the Waste Permits Division, within ninety (90) days after receipt of this **ORDER TO CLOSE**, six (6) copies of a plan to close the site, prepared in accordance with applicable sections of LAC 33:VII.515 (Closure Plan).

II.

The Recipient shall comply with the closure requirements, in accordance with LAC 33:VII.713.E and F and Financial Assurance requirements in accordance with LAC 33:VII.521.K.

III.

To operate the facility in accordance with the "Interim Operational Plan" which is attached hereto and made part of the **ORDER TO CLOSE**. Once the Closure Plan is approved, the Recipient shall follow all requirements therein.

IV.

Within ninety (90) days of approval of the Closure Plan, the Recipient shall complete all closure activities as specified by the Solid Waste Regulations and the Closure Plan.

V.

No modification to the facility shall be effected without the prior written approval of the Assistant Secretary of the Office of Environmental Services.

VI.

To submit to the Louisiana Department of Environmental Quality, Office of Management and Finance, Fiscal Services Division, a complete Disposer Annual Report in accordance with LAC 33:VII.713.C.1.

**THE RECIPIENT SHALL FURTHER BE ON NOTICE THAT**

I.

This **ORDER TO CLOSE** (OC-0363) and Interim Operational Plan shall serve as the Recipient's permit to operate the facility.

II.

The issuance of this Order to Close (OC-0363), replaces the Orders to Upgrade (OU-0267, OU-0267A, and OU-0267B) referenced in Findings of Fact paragraphs II, IV and V.

III.

This **ORDER TO CLOSE** shall become final and not subject to further administrative review by the Department unless the Recipient files, no later than thirty (30) days after receipt of the Order to Close, a written request for an adjudicatory hearing.

IV.

The request for adjudicatory hearing shall describe the basis for the hearing request. The request should reference the **Permit Tracking Number, Facility Identification Number and the Agency Interest Number**, which are located on the first page of this document and should be directed to the following:

Department of Environmental Quality  
Office of the Secretary  
Post Office Box 4301  
Baton Rouge, Louisiana 70821-4301  
**Attn: Hearings Clerk, Legal Division**  
**Re: Permits Tracking Number OC-0363**  
**Agency Interest Number 29835**  
**Facility Identification Number GTP-017-6912**

&

Department of Environmental Quality  
Office of Environmental Compliance  
Post Office Box 4312  
Baton Rouge, Louisiana 70821-4312  
**Attention: Enforcement Division**  
**Re: Permits Tracking Number OC-0363**  
**Agency Interest Number 29835**  
**Facility Identification Number GTP-017-6912**

Upon the Recipient's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **ORDER TO CLOSE** may be scheduled. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.) and the Department's Rules of Procedure. The Department may amend or supplement this **ORDER TO CLOSE** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

V.

This **ORDER TO CLOSE** shall become a final action unless the request for a hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Recipient's right to a hearing on a disputed issue of material fact or of law under Section 2024 (A) of the Act.

VI.

The Recipient's failure or refusal to comply with this **ORDER TO CLOSE** and the provisions herein will subject the Recipient to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than thirty two thousand five hundred dollars (\$32,500) for each day of continued violation or noncompliance.

VII.

This **ORDER TO CLOSE** is effective upon receipt.

Baton Rouge, Louisiana, this 01 day of May, 2009.



Cheryl Sonnier Nolan  
Assistant Secretary  
Office of Environmental Services

**ATTACHMENT**  
**AI# 29835/OC-0363**  
**CCS MIDSTREAM SERVICES, LLC**  
**CADDO PARISH**  
**INTERIM OPERATIONAL PLAN**

The operation of the disposal facility governed by this Order to Close shall comply with the following schedule which will be effective from the date of receipt of Order to Close **OC-0363** until the closure of the facility. The minimum standards for operation of the facility in the interim are:

1. Provide adequate security by manning each entry point during hours of operation and locking at all other times.
2. The surface impoundment/drying bed shall be maintained to prevent overflow of the facility to adjoining areas. Adequate freeboard shall be maintained in the facility.
3. The surface impoundment/drying bed shall be inspected daily and after storms to detect evidence of deterioration of the dike and levees, overtopping, malfunctions, or improper operation. Excessive vegetative growth that prevents proper access, inspection, or operation, or may prove a conduit for groundwater contamination shall be removed.
4. Inspection of the facility shall be conducted daily to ensure the absence of strong odors. Odors shall be controlled by the best means practicable. The Office of Environmental Compliance shall be promptly notified when strong odors occur at the facility boundaries.
5. Records of inspections, surveys, and gas monitoring results shall be maintained at the facility and available for inspection by a representative of the Department.
6. Surface liquids and sludges containing free liquids shall be dewatered or removed.
7. All remaining solid waste shall be removed to a permitted facility for disposal within ninety (90) days of the effective date of this Order.
8. Confirmation sampling shall be conducted within thirty (30) days of approval of the closure plan. The closure plan shall be developed to meet the standards of LAC 33:VII.713.E.3-6.

9. Following the completion of all closure activities, an engineering certification shall be submitted. The engineering certification shall be submitted to the Office of Environmental Services verifying that the facility has completed all closure activities as required by this Order to Close and in accordance with this schedule. The certification shall be submitted by an engineer licensed in the state of Louisiana.
10. Access to the facility shall be by all-weather roads that can meet the demands of the facility. Roads within the facility shall be maintained as all-weather roads and/or implement appropriate operational changes during wet weather conditions.
11. In accordance with LAC 33:VII.717.G.1.b, open burning shall not be practiced unless authorization is first obtained from the administrative authority and all other applicable federal, state and local authorities. Should any fire start, procedures shall be initiated immediately by the facility to control and extinguish it.
12. Adequate equipment and personnel must be provided to achieve the operational requirements of the facility. Backup equipment shall be provided in the event of equipment breakdown.
13. The facility shall make provisions for at least daily cleanup of the facility, including equipment and waste-handling areas. Treatment facilities for washdown and other contaminated waste shall be provided and contaminated waste water shall be properly handled.
14. Documentation that fully demonstrates Financial Responsibility in accordance with LAC 33:VII.515.B.2.p shall be submitted with the Closure Plan.
15. An annual report must be submitted to the administrative authority indicating quantities and types of solid wastes (expressed in wet tons per year) received during the reporting period. All calculations used to determine the amounts of solid waste received for disposal during the annual reporting authority shall be reported. Annual reports shall be submitted to the administrative authority by August 1 of each reporting year.