

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

BRAMMER ENGINEERING, INC.

**AI #s 106226, 100761, 100759,
107692, 110206, 107859,
99964, 16906, 99414, 31939,
83097, 55349, 33206, 31640,
31937, 31627, 99413**

**PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT**

LA. R.S. 30:2001, ET SEQ.

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* **Enforcement Tracking No.**
* **AE-CN-03-0007**
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SETTLEMENT

The following Settlement is hereby agreed to between Brammer Engineering, Inc. (“Respondent”) and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I

Respondent is a corporation who operates multiple oil and gas facilities located throughout the state of Louisiana (“the Facility”). Each facility is required to operate under an Air Permit in accordance with LAC 33:III.Chapter 5.

II

On February 3, 2003, the Department issued Consolidated Compliance Order and Notice of Potential Penalty Enforcement No. AE-CN-03-0007 to the Respondent, which was based on the following findings of fact:

On or about January 24, 2003, a file review of **BRAMMER ENGINEERING, INC.** was performed to determine the degree of compliance with the Act and Air Quality Regulations.

While the Department's investigation is not yet complete, the following violation was noted during the course of the review:

The Respondent failed to obtain approval from the permitting authority prior to the construction, modification, or operation of each facility listed in **Table 1** which ultimately resulted in an initiation or increase in emissions of air contaminants. Each failure to obtain prior approval from the permitting authority for the construction, modification, and/or operation of the facility is a violation of LAC 33:III.501.C.2 and Sections 2057(A)(1) and 2057(A)(2) of the Act.

Table 1

Facility	Parish	AI #
McCain No. 1	Bienville	100761
Merritt No. 1	Bienville	31640
Petro Hunt No. 1	Bienville	100759
Petro Hunt L.L.C. No. 2	Bienville	83097
Willamette 21 No. 1 Production Facility	Bienville	16906
Guy No.1 Production Facility	De Soto	99414
Pullig No. 1 Production Facility	Natchitoches	55349
Chauvin Field Production	Terrebonne	33206

III

After Consolidated Compliance Order & Notice of Potential Penalty No. AE-CN-03-0007 was issued, Respondent conducted an internal compliance audit to determine the number and location of other oil and gas facilities it owned and operated that may not have been in compliance with the Act and Air Quality Regulations. Respondent's audit identified the facilities listed below in **Table 2**:

Table 2

Facility	Parish	AI #
Allen No. 1	Caddo	99964
Doss Baker 3	Claiborne	31939
Hassell PF	Claiborne	31937
Lathan No. 1	Bienville	31627
Hodge	Jackson	99413
Avant No. 1	Ouachita	107692
Breithaupt et al No. 1/Riley No. 1	Ouachita	107859
McLaughlin et ux. No. 1	Ouachita	110206

The Respondent failed to obtain approval from the permitting authority prior to the construction, modification, or operation of each facility listed in Table 2 which ultimately resulted in an initiation or increase in emissions of air contaminants. Each failure to obtain prior approval from the permitting authority for the construction, modification, and/or operation of the facility is a violation of LAC 33:III.501.C.2 and Sections 2057(A)(1) and 2057(A)(2) of the Act.

IV

The Consolidated Compliance Order and Notice of Potential Penalty is a final action of the Department.

V

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

VI

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of THIRTEEN THOUSAND AND NO/100 DOLLARS (\$13,000) of which FIVE HUNDRED FIFTY-FIVE AND 54/100 DOLLARS (\$555.54) represents DEQ's enforcement costs, in

settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to DEQ as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

VII

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order and Notice of Potential Penalty, 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 agreement shall be considered a final order of the secretary for all purposes, including, but not limited to, 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 agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

IX

This settlement is being made in the interest of settling the state's claims 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 LSA- 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 the following parishes: Bienville, Caddo, Claiborne, DeSoto, Jackson, Natchitoches, Ouachita, and Terrebonne, Louisiana. The advertisements, 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 a proof-of-publication affidavit for each public notice advertisement 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 Agreement is voidable at the option of the Department. Penalties are to be made payable to the Department of Environmental Quality and mailed to the attention of Darryl Serio, Office of Management and Finance, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303.

XII

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

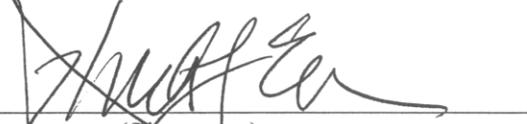
XIII

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

WITNESSES:

BRAMMER ENGINEERING, INC.


(Signature)

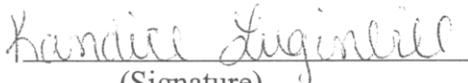
BY: 
(Signature)

Stacy Grace

(Printed or Typed)

Keith J. Evans

(Printed or Typed)


(Signature)

TITLE: President

Kandice Luginbill

(Printed or Typed)

THUS DONE AND SIGNED in duplicate original before me this 27th day of February, 2004, at Shreveport, Louisiana.


NOTARY PUBLIC (ID # 4866)

Debora R. Scott, Notary Public
in and for Caddo Parish, Louisiana
My Commission is for Life

(Printed or Typed)

WITNESSES:

Toni Evans

(Signature)

Toni Evans

(Printed or Typed)

Peggy M. Hatch

(Signature)

Peggy M. Hatch

(Printed or Typed)

STATE OF LOUISIANA

Mike D. McDaniel, Ph.D., Secretary

Department of Environmental Quality

BY: Harold Leggett

Harold Leggett, Ph.D., Assistant Secretary

Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 11th day of

May, 20 09, at Baton Rouge, Louisiana.

[Signature]

NOTARY PUBLIC (ID # 20451)

Ted R. Boyles, Jr.

(Printed or Typed)

Approved:

R. Bruce Hammatt

R. Bruce Hammatt, Assistant Secretary



CHARLES C. FOTI, JR.
ATTORNEY GENERAL

State of Louisiana
DEPARTMENT OF JUSTICE
P.O. BOX 94005
BATON ROUGE
70804-9005

April 29, 2004

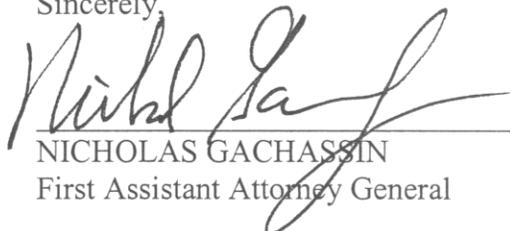
Mike D. McDaniel, Secretary
La. Department of Environmental Quality
Office of the Secretary
P.O. Box 4301
Baton Rouge, LA 70821-4301

Re: Review of DEQ Settlement;
Brammer Engineering, Inc.
AE-CN-03-0007

Dear Secretary McDaniel:

Pursuant to the authority granted to me by R.S. 30:2050.7(E)(2)(a), I approve the above referenced settlement.

Sincerely,



NICHOLAS GACHASSIN
First Assistant Attorney General

NG/cbw

RECEIVED

MAY 10 2004

**LA Dept. of Environmental Quality
LEGAL DIVISION**