

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

CENTRAL INDUSTRIES, INC.

AI # 33650

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

* Settlement Tracking No.
* SA-AE-09-0008
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* Enforcement Tracking No.
* AE-PP-08-0047
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SETTLEMENT

The following Settlement is hereby agreed to between Central Industries, 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 that owned and/or operated a portable air curtain destructor facility located in Abbeville, Vermilion Parish, Louisiana ("the Facility").

II

On May 13, 2008, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-08-0047, which was based upon the following findings of fact:

On or about January 8, 2008, a file review of Portable Air Curtain Destructor Unit 1 (Facility), owned and/or operated by Central Industries, Inc. (Respondent), was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located at 10608 Louisiana Highway 343 in Abbeville, Vermilion Parish, Louisiana. On or about January 17, 2008, the Louisiana Department of

Environmental Quality (the Department) received a Notification of Change of Ownership/Operator or Name Change Form which states the Respondent sold this facility to Stallion Oilfield Construction, LLC on or about December 10, 2007. The facility operated under Air Permit No. 7777-000259-00 issued on June 16, 1995, when the Respondent owned the facility.

The following violation was noted during the course of the file review:

According to Specific Condition No. 2 of Air Permit No. 7777-000259-00, the Respondent shall submit an Annual Feed Rate Report by February 15 for the preceding calendar year. The Department's records indicated that the Annual Feed Rate Reports for the 1995 through 2006 calendar years had not been submitted. Each failure to submit the Annual Feed Rate Report is a violation of Specific Condition No. 2 of Air Permit No. 7777-00259-00, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).

On or about February 6, 2008, Stallion Oilfield Construction, LLC submitted the Annual Feed Rate Reports for the 1995 through 2006 calendar years.

III

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

IV

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 FOUR THOUSAND AND NO/100 DOLLARS (\$4,000.00), of which Two Hundred Six and 22/100 Dollars (\$206.22) represents Department'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 the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

V

Respondent further agrees that the Department may consider the annual feed rate report(s), the 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.

VI

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.

VII

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.

VIII

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Vermilion, Louisiana. The 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 a proof-of-publication affidavit 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.

IX

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. 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 (Exhibit A).

X

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

XI

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

CENTRAL INDUSTRIES, INC.

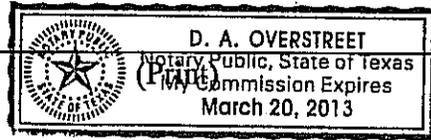
BY: [Signature]
(Signature)

ROBERT J. RYAN
ASSISTANT SECRETARY

TITLE: _____

THUS DONE AND SIGNED in duplicate original before me this 30th day of April, 20 10, at Newton, LA.

[Signature]
NOTARY PUBLIC (ID # _____)



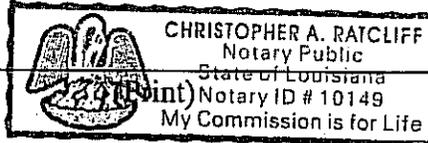
LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

Peggy M. Hatch, Secretary

BY: [Signature]
Beau James Brock
Assistant Secretary

THUS DONE AND SIGNED in duplicate original before me this 19th day of January, 2011, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # _____)



Approved: [Signature]
Paul D. Miller, P.E., Assistant Secretary