STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:	*	**Settlement Tracking No.**
	*	**SA-RE-11-0066**
PETROLEUM RENTAL TOOLS, INC.	*	
	*	**Enforcement Tracking No.**
AI # 9921	*	**RE-CN-09-0004**
	*	**RE-CN-09-0004A**
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT	*	**Docket No. 2009-6056-EQ**
LA. R.S. 30:2001, ET SEQ.	*	**2010-1224-EQ**

SETTLEMENT

The following Settlement is hereby agreed to between Petroleum Rental Tools, 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 owns and/or operates a NORM registered site facility located at 315 Redmond Road in Houma, Terrebonne Parish, Louisiana ("the Facility").

II

On May 15, 2009, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. RE-CN-09-0004, which was based upon the following findings of fact:

The Respondent owns and/or operates a NORM registered site located at 315 Redmond Road in Houma, Terrebonne Parish, Louisiana. The facility was issued a NORM General License, LA-054A-N01, on January 1, 1991, by the Department.

On or about November 14, 2007, an inspection was conducted by a representative of the Department. The following violation was discovered during the inspection:

> The Respondent failed to decontaminate its NORM registered site located at 315 Redmond Road in Houma, Terrebonne Parish, Louisiana, prior to leasing it for unrestricted use, in violation of LAC 33:XV.1417.A.1. This site has since been remediated.

On or about March 2, 2009, the Department received a written request for release of the NORM site located at 315 Redmond Road in Houma, Terrebonne Parish, Louisiana. The following violations were noted in the review of the document submitted:

A. The Respondent failed to dispose of NORM waste by transfer of the waste to a land disposal facility licensed by the department, the U.S. Nuclear Regulatory Commission, an agreement state, or a licensing state, in violation of LAC 33:XV.1412.B.1.

B. The Respondent failed to accompany NORM waste with a NORM manifest while transporting the NORM waste, in violation of LAC 33:XV.1418.A.

C. The Respondent deliberately submitted to the department information that was inaccurate, in violation of LAC 33:XV.1506.B.2. Specifically, the Respondent submitted a non-hazardous waste manifest as opposed to a NORM waste manifest.

On December 16, 2009, the Department issued to Respondent an Amended Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. RE-CN-09-0004A, amending Consolidated Compliance Order & Notice of Potential Penalty, Enforcement No. RE-CN-09-0004 as follows:

The Department amended Findings of Fact Paragraph III to remove the violation cited in Findings of Fact Paragraph III.C to read as follows:

"III.

On or about March 2, 2009, the Department received a written request for release for unrestricted use of the NORM site located at 315 Redmond Road in Houma, Terrebonne Parish, Louisiana. The following violations were noted in the review of the document submitted:

A. The Respondent, a general NORM licensee, failed to dispose of the Naturally Occurring Radioactive Material (NORM) waste by transfer of the waste to a land disposal facility licensed by the Department, the United States Nuclear Regulatory Commission, an agreement state, or a licensing state, in violation of LAC 33:XV.301.A and LAC 33:XV.1412.B.1.

B. The Respondent failed to accompany the NORM waste with a NORM manifest while transporting the NORM waste, in violation of LAC 33:XV.1418.A."

The Department amended the Compliance Order to read as follows:

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

I.

To develop and submit to the Department within fifteen (15) days after receipt of this Compliance Order, a risk assessment to ensure surveys are made to evaluate the radiation levels and/or potential radiological hazards that could have been and currently is present in accordance with LAC 33:XV.430.A.

II.

To develop, document, and implement, within fifteen (15) days after receipt of this Compliance Order, a radiation protection program sufficient to ensure a NORM waste manifest

accompany NORM waste while being transported in accordance with LAC 33:XV.1418.A.

III.

To submit to the Department, within fifteen (15) days after receipt of this Compliance Order, certified copies of all leases for unrestricted use since the discovery of the NORM soil contamination on site. These leases will include, but not be limited to, financial agreement(s) between the parties with respect to the financial terms of the lease(s) or rental agreements between Mr. Ronald P. Bridges, Petroleum Rental Tools, Inc., Quality Rental Tools and ACME Truck Line, and/or other previous tenants.

IV.

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: Benjamin Garwood
Enforcement Tracking No. RE-CN-09-0004
Agency Interest No. 9921

The Department incorporates all of the remainder of the original Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. RE-CN-09-0004 and Agency Interest No. 9921, as if reiterated herein.

The Amended Consolidated Compliance Order & Notice of Potential Penalty is effective upon receipt."

III

In response to the Consolidated Compliance Order & Notice of Potential Penalty and the Amended Consolidated Compliance Order & Notice of Potential Penalty, Respondent made a timely request for a hearing on each enforcement action.

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, a one-time payment in the amount of TWENTY-FIVE THOUSAND AND NO/100 DOLLARS ($25,000.00), of which One Thousand One Hundred Eleven and 43/100 Dollars ($1,111.43) represents the Department's enforcement costs, in full and final 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).

VI

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order & Notice of Potential Penalty, the Amended Consolidated Compliance Order & Notice of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement action 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

allegations of violations herein for the sole purpose of determining Respondent's compliance history. Respondent may use any mitigating factors it believes applicable in any such future proceedings.

VII

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.

VIII

This settlement is being made in the interest of settling the Department'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 La. R. S. 30:2025(E) of the Act.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Terrebonne Parish, 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 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.

X

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).

XI

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

XII

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.

PETROLEUM RENTAL TOOLS, INC.

BY: _____
Ronald Bridges, on behalf of Petroleum Rental Tools, Inc.

_____
(Printed)

TITLE: _____

THUS DONE AND SIGNED in duplicate original before me this _____ day of _____, 20 _____, at Belle Chasse, Louisiana.

_____
NOTARY PUBLIC (ID #_____)

_____
(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 _____, 20_____, at Baton Rouge, Louisiana.

_____
NOTARY PUBLIC (ID # _____)

_____
(stamped or printed)

Approved: _____
Cheryl Sonnier Nolan, Assistant Secretary