

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

WAGNER OIL COMPANY

AI # 31478, 31479, 31480, 32770, 122995,
122996, 122997, 122998, 122999, 123001,
124036, 147851, 147854, 147856, 147861

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

* Settlement Tracking No.
* SA-AE-19-0046
*
* Enforcement Tracking No.
* AE-PP-14-00077
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SETTLEMENT

The following Settlement is hereby agreed to between Wagner Oil Company (“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 oil and gas production facilities located in Acadia Parish, St. Charles Parish, and Pointe Coupee Parish, Louisiana (“the Facilities”).

II

On December 11, 2018, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-14-00077 (Exhibit 1).

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 TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00), of which Nine Hundred Seventy-Nine and 43/100 Dollars (\$979.43) represents the 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 permit record(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 La. R. S. 30:2025(E) of the Act.

VIII

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

IX

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Acadia Parish, St. Charles Parish, and Pointe Coupee Parish, Louisiana. The advertisement, in form and wording 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.

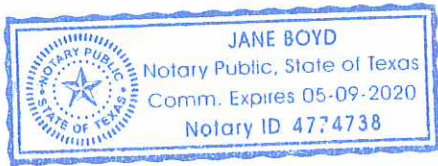
WAGNER OIL COMPANY

BY: David Chamber's
(Signature)

DAVID Chamber's
(Printed)

TITLE: Operations Manager

THUS DONE AND SIGNED in duplicate original before me this 25th day of November, 20 19, at 10:20 A.M.



Jane Boyd
NOTARY PUBLIC (ID # 4774738)

JANE Boyd
(stamped or printed)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Chuck Carr Brown, Ph.D., Secretary

BY: [Signature]
Lourdes Iturralde, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 2nd day of September, 20 20, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 92503)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary

Amber Grenthorn Litchfield
(stamped or printed)

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

December 11, 2018

CERTIFIED MAIL (7017 0530 0000 5978 9173)
RETURN RECEIPT REQUESTED

WAGNER OIL COMPANY
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Drive
Baton Rouge, LA 70816

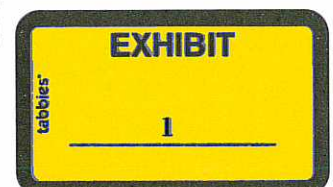
**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-14-00077
AGENCY INTEREST NOS. Multiple (see Attachment A)**

Dear Sir/Madam:

On or about November 2, 2018, file reviews of the facilities listed in Attachment A, owned and/or operated by **WAGNER OIL COMPANY (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations.

While the investigation by the Louisiana Department of Environmental Quality (the Department) is not yet complete, the following violations were noted during the course of the file review:

- A. The Respondent became the owner/operator of the facilities listed in Attachment A on November 1, 2013. The Respondent submitted a Notification of Change Form (NOC-1) to the Department on or about December 19, 2013. Each failure to submit the NOC-1 and associated documentation to the Department within forty-five (45) days after a change in ownership of a permitted facility is a violation of LAC 33:I.1907.B; LAC 33:III.517.G; and La. R.S. 30:2057(A)(2).
- B. The Respondent operated the facilities listed in Attachment A from November 1, 2013 through January 16, 2014. Each unauthorized operation of the facilities from the date of acquisition until the permit was transferred on January 17, 2014 is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).



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 Dr. Jacqueline Prudente at (225) 219-3347 or Jacqueline.prudente@la.gov 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. If the Respondent chooses not to submit the requested most current annual gross revenues statement within ten (10) days, it will be viewed by the Department as an admission that the Respondent has the ability to pay the statutory maximum penalty as outlined in La. R.S. 30:2025.

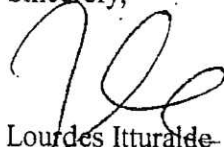
For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violation(s) described herein. The Respondent may offer a settlement amount, but the Department is under no obligation to enter into settlement negotiations. The decision to proceed with a settlement is at the discretion of the Department. The settlement offer amount may be entered on the attached "**NOTICE OF POTENTIAL PENALTY REQUEST TO SETTLE**" form. The Respondent must include a justification of the offer. **DO NOT** submit payment of the offer amount with the form. The Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.

Notice of Potential Penalty
Wagner Oil Company
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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,



Lourdes Ituralde
Assistant Secretary
Office of Environmental Compliance

LI/JAP/jap
Alt ID No. Multiple (see Attachment A)

c: Wagner Oil Company
c/o Paul Strickland, Production Engineering Manager
500 Commerce Street, Suite 600
Fort Worth, TX 76102

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OFFICE OF ENVIRONMENTAL COMPLIANCE
 ENFORCEMENT DIVISION
 POST OFFICE BOX 4312
 BATON ROUGE, LOUISIANA 70821-4312

NOTICE OF POTENTIAL PENALTY
 REQUEST TO SETTLE (OPTIONAL)



Enforcement Tracking No.	AE-PP-14-00077	Contact Name	Dr. Jacqueline Prudente
Agency Interest (AI) No.	Multiple (see Attachment A)	Contact Phone No.	(225) 219-3347
Alternate ID No.	Multiple (see Attachment A)		
Respondent:	Wagner Oil Company	Facility Name:	Multiple (see Attachment A)
	c/o C T Corporation System	Physical Location:	Multiple (see Attachment A)
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Multiple (see Attachment A)
	Baton Rouge, LA 70816	Parish:	Multiple (see Attachment A)

SETTLEMENT OFFER (OPTIONAL)

(check the applicable option)

<input type="checkbox"/>	The Respondent is not interested in entering into settlement negotiations with the Department with the understanding that the Department has the right to assess civil penalties based on LAC 33:I.Subpart1.Chapter7.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-14-00077), the Respondent is interested in entering into settlement negotiations with the Department and would like to set up a meeting to discuss settlement procedures.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-14-00077), the Respondent is interested in entering into settlement negotiations with the Department and offers to pay \$ _____ which shall include LDEQ enforcement costs and any monetary benefit of non-compliance. <ul style="list-style-type: none"> • Monetary component = \$ _____ • Beneficial Environmental Project (BEP) component (optional)= \$ _____ • DO NOT SUBMIT PAYMENT OF THE OFFER WITH THIS FORM- the Department will review the settlement offer and notify the Respondent as to whether the offer is or is not accepted.
<input type="checkbox"/>	The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (AE-PP-14-00077) and has attached a justification of its offer and a description of any BEPs if included in settlement offer.

CERTIFICATION STATEMENT

I certify, under provisions in Louisiana and United States law that provide criminal penalties for false statements, that based on information and belief formed after reasonable inquiry, the statements and information attached and the compliance statement above, are true, accurate, and complete. I also certify that I do not owe outstanding fees or penalties to the Department for this facility or any other facility I own or operate. I further certify that I am either the Respondent or an authorized representative of the Respondent.

Respondent's Signature	Respondent's Printed Name	Respondent's Title
Respondent's Physical Address	Respondent's Phone #	Date

MAIL COMPLETED DOCUMENT TO THE ADDRESS BELOW:

Louisiana Department of Environmental Quality
 Office of Environmental Compliance
 Enforcement Division
 P.O. Box 4312
 Baton Rouge, LA 70821
 Attn: Dr. Jacqueline Prudente

Attachment A

Wagner Oil Company Permits

AI Number	Facility Name	Permit Number	Location	City	Parish
31478*	Regan UA #1 Tank Battery & Arkla Compressor- Egan Field	0040-00088-03	0.8 mile south of	Egan	Acadia
31479	Freeland Tank Battery- Egan Field	0040-00089-02	off Parish Road 4 0.5 mile south of	Egan	Acadia
31480	Egan Compressor Station & SWD #8/ Dailey Battery	0040-00092-01	1.0 mile south of	Egan	Acadia
32770	Simoneaux Commingling Facility	2520-00051-03	5.0 miles south of US Highway 90	Boutte	St. Charles
122995	Hayes Tank Battery- Egan Field	0040-00123-00	0.2 mile southeast of	Egan	Acadia
122996	Regan #4 Tank Battery- Egan Field	0040-00124-01	1.2 miles south of	Egan	Acadia
122997	E M Regan #2 Wellsite- Egan Field	0040-00125-00	1.2 miles south of	Egan	Acadia
122998	Regan UD #1 Tank Battery- Egan Field	0040-00126-00	1.5 miles south of	Egan	Acadia
122999	SWD 3 Facility- Egan Field	0040-00127-00	0.4 mile southeast of	Egan	Acadia
123001	LWSD LHR Facility- Egan Field	0040-00128-01	0.9 mile south of	Egan	Acadia
124036	W L Trimble #1 Tank Battery- Egan Field	0040-00131-01	0.8 mile south of	Egan	Acadia
147851	Simon D Weil #1 Tank Battery- Fordoche Field	2260-00089-01	off of LA Hwy 77 1.0 mile NE of	Blanks	Pointe Coupee
147854	M A Picard et al #1 Tank Battery- Fordoche Field	2260-00092-01	US Highway 90 1 mile southwest of	Livonia	Pointe Coupee
147856	Simon D Weil et al #4 Tank Battery- Fordoche Field	2260-00094-01	US Highway 90 1.25 miles southwest of	Livonia	Pointe Coupee
147861	John L Noel #1 Tank Battery- Fordoche Field	2260-00099-01	off of US Highway 90 0.5 mile northeast of	Blanks	Pointe Coupee

*Permit No. 0040-00088-03 was rescinded on July 10, 2018.