

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

* Settlement Tracking No.
* SA-AE-18-0069

**YUMA EXPLORATION AND PRODUCTION
COMPANY, INC.**

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*

AI # 83643, et seq.

* Enforcement Tracking No.
* AE-PP-11-01388
* AE-PP-11-01388A
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**PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT
LA. R.S. 30:2001, ET SEQ.**

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SETTLEMENT

The following Settlement is hereby agreed to between Yuma Exploration and Production Company, 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 facilities located in St. Bernard Parish, Livingston Parish, St. Helena Parish, Beauregard Parish, Vernon Parish, and Rapides Parish, Louisiana ("the Facilities").

II

On October 22, 2012, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-11-01388 (Exhibit 1).

On February 28, 2013, the Department issued to Respondent an Amended Notice of Potential Penalty, Enforcement No. AE-PP-11-01388A (Exhibit 2).

The following violations, although not cited in the foregoing enforcement action(s), are

included within the scope of this settlement:

The Respondent failed to submit NOC-1 forms within 45 days of ownership for AI Nos. 31550, 33350, 33357, 33365, 33366, 33369, 33370, 33372, 33386, 33388, 33391, 33397, 51593, 80948, 80949, 81687, 83746, 89423, 90293, 90297, 92008, 97917, 98114, and 100220. Ownership of the facility was transferred on January 1, 2013. The NOC-1 was due on February 15, 2013, and submitted on May 3, 2013. The failure to submit the NOC-1 and associated documentation to the Department within forty-five (45) days after changes 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).

The Respondent failed to submit NOC-1 forms within 45 days of ownership change for AI Nos. 33361, 33362, 33376, 33379, 33387, 33398, 83955, 85383, 85402, and 98058. Ownership of the facility was transferred on January 1, 2013. The NOC-1 was due on February 15, 2013, and submitted on May 3, 2013. The failure to submit the NOC-1 and associated documentation to the Department within forty-five (45) days after changes 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).

The Respondent failed to submit the 2012 Emissions Inventory (EI) for the Weyerhaeuser 9 #1 Production Facility (AI 182797) by the April 30, 2013 deadline. Specifically, the 2012 Emissions Inventory Certification was submitted on July 22, 2013. The Respondent's failure to submit the EI by the deadline is a violation of LAC 33:III.919.F.1.d and La. R.S. 30:2057(A)(2).

The Respondent failed to submit the 2013 Emissions Inventory (EI) for the Weyerhaeuser 9 #1 Production Facility (AI 182797) by the April 30, 2014 deadline. Specifically, the 2013 Emissions Inventory Certification was submitted on November 24, 2014. The Respondent's failure to submit the EI by the deadline is a violation of LAC 33:III.919.F.1.d and La. R.S.

30:2057(A)(2).

The Respondent failed to submit the 2012 Emissions Inventory (EI) for the Weyerhaeuser 18 #1 & 19 #1 Production Facility (AI 170349) by the April 30, 2013 deadline. Specifically, the 2012 Emissions Inventory Certification was submitted on July 22, 2013. The Respondent's failure to submit the EI by the deadline is a violation of LAC 33:III.919.F.1.d and La. R.S. 30:2057(A)(2).

The Respondent failed to submit the 2013 Emissions Inventory (EI) for the Weyerhaeuser 18 #1 & 19 #1 Production Facility (AI 170349) by the April 30, 2014 deadline. Specifically, the 2013 Emissions Inventory Certification was submitted on November 24, 2014. The Respondent's failure to submit the EI by the deadline is a violation of LAC 33:III.919.F.1.d and La. R.S. 30:2057(A)(2).

The Respondent failed to submit the 2012 Emissions Inventory (EI) for the Beaver Dam Creek CF #1 Facility (AI 174092) by the April 30, 2013 deadline. Specifically, the 2012 Emissions Inventory Certification was submitted on July 22, 2013. The Respondent's failure to submit the EI by the deadline is a violation of LAC 33:III.919.F.1.d and La. R.S. 30:2057(A)(2).

The Respondent failed to submit the 2013 Emissions Inventory (EI) for the Beaver Dam Creek CF #1 Facility (AI 174092) by the April 30, 2014 deadline. Specifically, the 2013 Emissions Inventory Certification was submitted on November 24, 2014. The Respondent's failure to submit the EI by the deadline is a violation of LAC 33:III.919.F.1.d and La. R.S. 30:2057(A)(2).

The Respondent failed to submit the 2013 Emissions Inventory (EI) for the WX RB SUB Starns 38 No. 1 Production Facility (AI 187303) by the April 30, 2014 deadline. Specifically, the 2013 Emissions Inventory Certification was submitted on April 29, 2015. The Respondent's failure to submit the EI by the deadline is a violation of LAC 33:III.919.F.1.d and La. R.S. 30:2057(A)(2).

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 NINE THOUSAND AND NO/100 DOLLARS (\$9,000.00), of which One Thousand Eight Hundred Forty-Nine and 72/100 Dollars (\$1,849.72) 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, Amended 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 St. Bernard Parish, Livingston Parish, St. Helena Parish, Beauregard Parish, Vernon Parish, and Rapides 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.


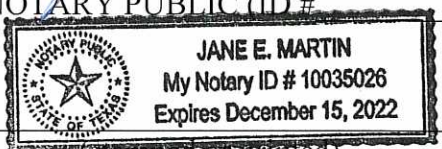
YUMA EXPLORATION AND
PRODUCTION COMPANY, INC.

BY: 
(Signature)

ANTHONY C SCHUUR
(Printed)

TITLE: PRESIDENT

THUS DONE AND SIGNED in duplicate original before me this 31st day of
July, 20 19, at Houston, Texas.


NOTARY PUBLIC (ID # _____)

(stamped or printed)

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

BY: 
Lourdes Iturralde, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 10th day of
Dec., 20 19, at Baton Rouge, Louisiana.


NOTARY PUBLIC (ID # 19181)

Approved: 
Lourdes Iturralde, Assistant Secretary

Perry Theriot
(stamped or printed)

BOBBY JINDAL
GOVERNOR



PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

October 22, 2012

CERTIFIED MAIL (7004 1160 0000 3795 7493)
RETURN RECEIPT REQUESTED

YUMA EXPLORATION AND PRODUCTION COMPANY, INC.
c/o Corporation Service Company
Agent for Service of Process
320 Somerulos Street
Baton Rouge, Louisiana 70802

RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-11-01388
AGENCY INTEREST NOS. 83643, 170349, & 174092

Dear Sir:

On or about March 1, 2011, June 22, 2012, and August 1, 2012, file reviews of the facilities listed in Table 1, which are owned and/or operated by **YUMA EXPLORATION AND PRODUCTION COMPANY, INC. (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations.

Table 1.

AI No.	Facility Name	Location	Current Permit/Issue Date
83643	Main Pass Block 4 Production Facility	5 miles southeast of Hopedale in St. Bernard Parish, LA	2500-00312-00 issued on 8/24/2009
170349	Weyerhaeuser 18 #1 & 19 #1 Production Facility	Off Fountain-Young Road, 8.5 miles northwest of Holden in Livingston Parish, LA	1740-00053-00 issued on 8/8/2011
174092	L TUSC RC SUA Unit Facility	4.4 miles southwest of Pine Grove in St. Helena Parish, LA	2540-00036-00 issued on 3/9/2012

EXHIBIT

1

Notice of Potential Penalty

Yuma Exploration and Production Company, Inc.

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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 reviews:

- A. According to correspondence from the Respondent's representatives dated May 25, 2011, and July 9, 2012, the Respondent acquired the Main Pass Block Facility (AI 83643) and the facility did not initially require coverage under an air permit. According to the Respondent's representative, new equipment was added after Hurricane Ike made landfall on September 13, 2008. The Respondent's representative's correspondence dated July 31, 2012, states, "All we know is it was installed sometime in the first half of 2009...and an air permit was requested from LDEQ when potential to emit emissions exceeded the exemption thresholds." The facility's air permit application was submitted on July 24, 2009, and Air Permit No. 2500-00312-00 was issued on August 24, 2009. The modification of this facility prior to submittal of a permit application is a violation of LAC 33:III.501.C.1 and La. R.S. 30:2057(A)(2). The operation of this facility without coverage under an air permit is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- B. The Respondent failed to submit the 2010 Emissions Inventory (EI) for the Weyerhaeuser 18 #1 & 19 #1 Production Facility (AI 170349). The Respondent's failure to submit the EI is a violation of LAC 33:III.919.F.1.d and La. R.S. 30:2057(A)(2).
- C. According to correspondence dated May 25, 2011, operations which required coverage under an air permit began on February 15, 2011, at the L TUSC SUA Unit Facility (AI No. 174092). The facility's air permit was issued March 24, 2011. The operation of this facility without coverage under an air permit from February 15, 2011, until March 23, 2011, is a violation of LAC 33:III.501.C.2, 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 Sarah Acosta at (225) 219-3138 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

Notice of Potential Penalty
Yuma Exploration and Production Company, Inc.
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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 'CSN', followed by a long horizontal flourish.

Cheryl Sonnier Nolan
Assistant Secretary

CSN/SEA/sea
Alt ID Nos. 2500-00312, 1740-00053, & 2540-00036

c: Yuma Exploration and Production Company, Inc.
Patty Squyres
1177 West Loop South, Suite 1825
Houston, Texas 77027

BOBBY JINDAL
GOVERNOR



PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

February 28, 2013

CERTIFIED MAIL (7004 2510 0006 3852 5822)
RETURN RECEIPT REQUESTED

YUMA EXPLORATION AND PRODUCTION COMPANY, INC.
c/o Corporation Service Company
Agent for Service of Process
320 Somerulos Street
Baton Rouge, Louisiana 70802

RE: AMENDED NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-11-01388A
AGENCY INTEREST NOS. 83643, 170349, & 174092

Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **AMENDED NOTICE OF POTENTIAL PENALTY** is hereby served on **YUMA EXPLORATION AND PRODUCTION COMPANY, INC. (RESPONDENT)** for the violation described therein.

Any questions concerning this action should be directed to Sarah Acosta at (225) 219-3138.

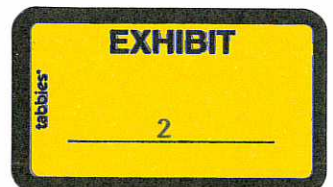
Sincerely,

A handwritten signature in black ink, appearing to read "Celena J. Cage".

Celena J. Cage
Administrator
Enforcement Division

CJC/SEA/sea
Alt ID Nos. 2500-00312, 1740-00053, & 2540-00036
Attachment

c: Yuma Exploration and Production Company, Inc.
Patty Squyres
1177 West Loop South, Suite 1825
Houston, Texas 77027



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

IN THE MATTER OF

**YUMA EXPLORATION AND PRODUCTION
COMPANY, INC.**

MULTIPLE PARISHES

**ALT ID NOS. 2500-00312, 1740-00053, &
2540-00036**

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

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ENFORCEMENT TRACKING NO.

AE-PP-11-01388A

AGENCY INTEREST NOS.

83643, 170349, & 174092

AMENDED NOTICE OF POTENTIAL PENALTY

The Louisiana Department of Environmental Quality (the Department) hereby amends the **NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-PP-11-01388** issued to **YUMA EXPLORATION AND PRODUCTION COMPANY, INC. (RESPONDENT)** on October 22, 2012, in the above-captioned matter as follows:

I.

The Department hereby removes Paragraph C of Enforcement Tracking No. AE-PP-11-01388.


II.

The Department incorporates all of the remainder of the original **NOTICE OF POTENTIAL PENALTY, ENFORCEMENT TRACKING NO. AE-PP-11-01388** and **AGENCY INTEREST NOS. 83643, 170349, & 174092** as if reiterated herein.

III.

This **AMENDED NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 28 day of February, 2013.



Cheryl Sonnier Nolan
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
Post Office Box 4312
Baton Rouge, LA 70821-4312
Attention: Sarah Acosta