

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

MCGOWAN WORKING PARTNERS, INC.

AI # 191329

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

* Settlement Tracking No.
* SA-WE-17-0014
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* Enforcement Tracking No.
* WE-PP-14-00441
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SETTLEMENT

The following Settlement is hereby agreed to between McGowan Working Partners, 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 facility located in Waterproof, Tensas Parish, Louisiana (“the Facility”).

II

On April 20, 2015, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. WE-PP-14-00441, which was based upon the following findings of fact:

“The Respondent owns and/or operates an oil and gas production site located on a lease road off of Curtis Road in Waterproof, Tensas Parish, Louisiana. This facility is currently not permitted for discharges of wastewater.”

On or about March 19, 2014, an inspection was conducted by the Department. The inspection revealed the following violation(s):

“The Respondent failed to develop and implement an adequate SPC plan. Specifically, a spill bucket was not on loading pipe as stated in SPC plan and the Respondent failed to make NRC call immediately as stated in SPC plan. (La. R.S. 30:2076(A)(3) and LAC 33:IX.905.A)

The Respondent caused and/or allowed the discharge of oil to waters of the state. Specifically, approximately 389 bbls of crude oil was released. (La. R.S. 30:2075)”

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 TWENTY THOUSAND EIGHT HUNDRED AND NO/100 DOLLARS (\$20,800.00), of which Five Hundred Ninety-Six and 36/100 Dollars (\$596.36) 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 inspection 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 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 Tensas 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.

MCGOWAN WORKING PARTNERS, INC.

BY: David B. Russell
(Signature)

David B. Russell
(Printed)

TITLE: President

THUS DONE AND SIGNED in duplicate original before me this 20th day of September, 20 17, at Jackson, Ms.



Frances M. Gray
NOTARY PUBLIC (ID # 25350)
Frances M. Gray

(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 20th day of December, 20 17, at Baton Rouge, Louisiana.

[Signature]
NOTARY PUBLIC (ID # 20906)

Ted R. Hughes JR
(stamped or printed)

Approved: [Signature]

Lourdes Iturralde, Assistant Secretary