

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

PUMPELLY OIL ACQUISITION LLC

AI # 70793

PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT

LA. R.S. 30:2001, ET SEQ.

* Settlement Tracking No.
* SA-UE-18-0071
*
* Enforcement Tracking No.
* UE-PP-17-00717
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SETTLEMENT

The following Settlement is hereby agreed to between Pumpelly Oil Acquisition LLC (“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 limited liability company that owns and/or operates a gasoline service facility located in Calcasieu Parish, Louisiana (“the Facility”).

II

On December 14, 2017, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. UE-PP-17-00717, attached as Exhibit A.

The following violations, although not cited in the foregoing enforcement action(s), are included within the scope of this settlement:

The Respondent failed to use a method or combination of methods of release detection described in LAC 33:XI.701, in violation of LAC 33:XI.703.A.1. Specifically, the Respondent was only collecting daily inventory from May 2016-November 2017; the release detection data

was submitted to the SIR vendor in December 2017.

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 SIX THOUSAND SEVEN HUNDRED FIFTY AND NO/100 DOLLARS (\$6,750.00), of which Eight Hundred Eighty-Nine and 43/100 Dollars (\$889.43) 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 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 Calcasieu 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 B).

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.

Pumpelly Oil Acquisition LLC

BY: [Signature]
(Signature)

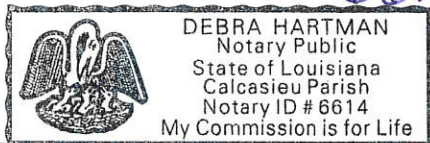
BURT VINCENT
(Printed)

TITLE: FUEL DECK

THIS DONE AND SIGNED in duplicate original before me this 5 day of February, 2020, at Sulphur, Louisiana

[Signature]

NOTARY PUBLIC (ID # 6614)



(stamped or printed)

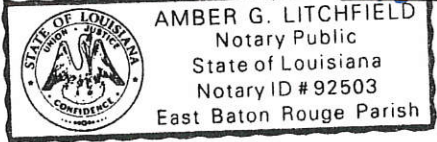
LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Chuck Carr Brown, Ph.D., Secretary

BY: [Signature]
Celena J. Case Assistant Secretary
Office of Environmental Compliance

THIS DONE AND SIGNED in duplicate original before me this 19th day of May, 2022, at Baton Rouge, Louisiana.

[Signature]

NOTARY PUBLIC (ID # 92503)



(stamped or printed)

Approved: [Signature]
Lourdes Iturralde, Assistant Secretary

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

December 14, 2017

CERTIFIED MAIL (7007 2680 0000 8197 7259)
RETURN RECEIPT REQUESTED

PUMPELLY OIL ACQUISITION LLC

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. UE-PP-17-00717
AGENCY INTEREST NO. 70793**

Dear Sir:

On or about May 24, 2016, an inspection of **TIGERLAND CHEVRON** (facility), a gasoline service station, owned and/or operated by **PUMPELLY OIL ACQUISITION LLC (RESPONDENT)**, was performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Underground Storage Tanks Regulations. The facility is located at 1108 Highway 12 East in Dequincy, Calcasieu Parish, Louisiana. The facility is registered with the Department, operates under facility identification number 10-008713, and has five (5) underground storage tanks (USTs).

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 inspection:

- A. The Respondent failed to notify the Department within twenty-four (24) hours of a monitoring result from a release detection method indicating a release may have occurred, in violation of LAC 33:XI.707.A.4.b. Specifically, the Department was not notified after inconclusive release detection results in March and April 2016. The Respondent notified the Department on June 15, 2016.
- B. The Respondent failed to immediately investigate and confirm all suspected releases of regulated substances requiring reporting under LAC 33:XI.707 within seven (7) days unless corrective action is initiated in accordance with LAC 33:XI.715, in violation of LAC 33:XI.711. Specifically, the Respondent failed to investigate a suspected release after inconclusive release detection



results in March and April 2016. The Respondent conducted a tank tightness test and line tightness test on June 20, 2016.

- C. The Respondent failed to use a method or combination of methods of release detection described in LAC 33:XI.701, in violation of LAC 33:XI.703.A.1. Specifically, the Respondent was only collecting daily inventory from October 2013-February 2016 which is not an acceptable method of release detection. The Respondent commenced using SIR in March 2016.

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 violations described herein. Written comments may be filed regarding the violations 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 violations. If you would like to have such a meeting, please contact Deonne Bodin at (504) 736-7715 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.

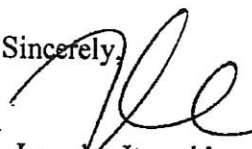
For each violation described herein, the Department reserves the right to seek civil penalties and the right to seek compliance with its rules and regulations in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties and compliance.

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 violations 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.

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.

Pumpelly Oil Acquisition LLC
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Sincerely,



Lourdes Iturralde
Assistant Secretary
Office of Environmental Compliance

LI/db
Alt ID No. 10-008713

c: Burt Vincent
Reladyne

P.O. Box 2059
Sulphur, LA 70664