

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

* Settlement Tracking No.
* SA-AE-20-0116
*

RIVIERA OPERATING, LLC

* Enforcement Tracking No.
* AE-PP-19-00690
*

AI # 31686, 31693, 32425, 32427, 32430,
32432, 32446, 32548, 32551, 86053, 86054,
88667, 91914, 91915, 93421, 93429, 93434,
93435, 105325, 105326, 105327, 114656,
116452, 117366, 117368, 124727, 125870,
146567, 146740, 146882, 146883, 146884,
146886, 146887, 150129, 158684, 159019,
160992, 171558, 175016, 177526, 179398,
179784, 179785, 196401, 200588, 208001,
208012, 211737

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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 Riviera Operating, 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 owned and/or operated facilities located in Bossier Parish, Lincoln Parish, Ouachita Parish, Jackson Parish, and St. Mary Parish, Louisiana (“the Facilities”).

II

On December 4, 2019, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-19-00690 (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 FIVE THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$5,400.00), of which Four Hundred Fifty-Seven and 55/100 Dollars (\$457.55) 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 Bossier Parish, Lincoln Parish, Ouachita Parish, Jackson Parish, and St. Mary 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.

RIVIERA OPERATING, LLC

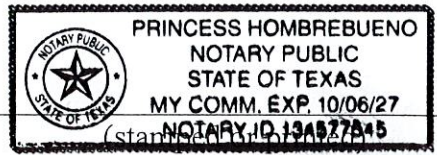
BY: *Dan Schlot*
(Signature)

Darren Schluter
(Printed)

TITLE: Exec VP and CFO

THUS DONE AND SIGNED in duplicate original before me this 30th day of AUGUST, 20 24, at HOUSTON, TEXAS.

Princess Hombrebuena
NOTARY PUBLIC (ID # 134577545)

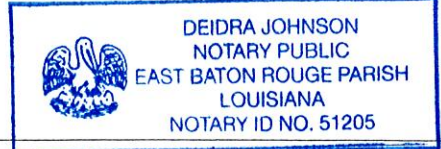


LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Annelia S. Giacometto, Secretary

BY: ~~*Jennie "Jenny" Lang*~~
Jennie "Jenny" Lang, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 5th day of December, 20 24, at Baton Rouge, Louisiana.

Deidra Johnson
NOTARY PUBLIC (ID # 51205)



(stamped or printed)
Lifetime Commissioner

Approved: *Lourdes Iturralde*
Lourdes Iturralde, Assistant Secretary

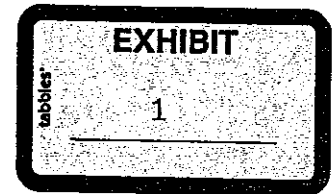
JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, PH.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

December 4, 2019



CERTIFIED MAIL (7018 1130 0001 5655 0140)
RETURN RECEIPT REQUESTED

RIVIERA OPERATING, LLC
c/o C T Corporation System
Agent for Service of Process
3867 Plaza Tower Dr.
Baton Rouge, LA 70816

**RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-19-00690
AGENCY INTEREST NOS. 31686, 31693, 32425, 32427, 32430, 32432, 32446, 32548, 32551,
86053, 86054, 88667, 91914, 91915, 93421, 93429, 93434, 93435, 105325, 105326, 105327,
114656, 116452, 117366, 117368, 124727, 125870, 146567, 146740, 146882, 146883, 146884,
146886, 146887, 150129, 158684, 159019, 160992, 171558, 175016, 177526, 179398, 179784,
179785, 196401, 200588, 208001, 208012, 211737**

Dear Sir:

On or about August 20, 2019, file reviews of the following facilities, owned and/or operated by **RIVIERA OPERATING, LLC (RESPONDENT)**, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations.

AGENCY INTEREST NUMBER	FACILITY	LOCATION	PERMIT	ISSUE DATE
31686	Rocky Mountain Gathering System Facility	3.6 mi NE of Rocky Mount, Bossier Parish, Louisiana	0400-00066-05	May 7, 2018
31693	USA 1	16 mi NE of Benton, Bossier Parish, Louisiana	0400-00074-02	July 28, 2015
32425	Della Covin 18-1	3.4 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00051-01	February 19, 2014
32427	Della Covin 3-18	3.1 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00053-02	August 21, 2015

Notice of Potential Penalty
Riviera Operating, LLC
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AGENCY INTEREST NUMBER	FACILITY	LOCATION	PERMIT	ISSUE DATE
32430	Paul Martin 1-19	3.3 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00056-02	July 16, 2015
32432	Jiles Heirs 19-1 PF	3 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00058-02	August 19, 2015
32446	Barham Estate 2-20	2 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00072-02	May 26, 2015
32548	Nelson 1 and Calhoun 1	15 mi W of Monroe, Ouachita Parish, Louisiana	2160-00093-00	June 27, 2016
32551	Henderson 1	15 mi SW of Monroe, Ouachita Parish, Louisiana	2160-00096-03	June 26, 2015
86053	Wright 1	2 mi S of Choudrant, Lincoln Parish, Louisiana	1720-00100-00	September 5, 2000
86054	J.P. Reiger 1	1 mi W of Calhoun, Ouachita Parish, Louisiana	2160-00119-02	July 27, 2015
88667	Dowling SWD 1	2.5 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00103-02	November 9, 2015
91914	David Love 1-6	2 mi SE of Vienna, Lincoln Parish, Louisiana	1720-00106-02	June 19, 2015
91915	J.P. Graham 4-2	1 mi S of Vienna, Lincoln Parish, Louisiana	1720-00107-00	December 17, 2015
93421	George Cox A-1	4 mi W of Monroe, Ouachita Parish, Louisiana	2160-00162-00	June 23, 2011
93429	Parnell	5 mi NE of Choudrant, Lincoln Parish, Louisiana	1720-00140-01	April 27, 2013
93434	Verdie Wassan 1	3.5 mi W of Monroe, Ouachita Parish, Louisiana	2160-00123-00	November 1, 2012
93435	W.C. Whitehead 1	4.5 mi NE of Choudrant, Lincoln Parish, Louisiana	1720-00111-01	July 16, 2015
105325	John Mayfield 1-31	1.8 mi E of Vienna, Lincoln Parish, Louisiana	1720-00377-00	October 23, 2015

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 Riviera Operating, LLC
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AGENCY INTEREST NUMBER	FACILITY	LOCATION	PERMIT	ISSUE DATE
105326	Nelson Mayfield 1-30	1.8 mi E of Vienna, Lincoln Parish, Louisiana	1720-00365-00	September 15, 2011
105327	J.H. Liner 1-36	1.5 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00429-00	March 27, 2018
114656	TJ Green 1-25	LA Highway 556, Jackson Parish, Louisiana	1300-00493-00	November 10, 2015
116452	J.H. Liner B 1-36	1.1 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00407-00	December 9, 2015
117366	Jiles Heirs 3-20	3.3 mi NW of Vienna, Lincoln Parish, Louisiana	1720-00121-01	November 6, 2015
117368	Howard 19-1 & 19-2	3.2 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00122-01	July 15, 2015
124727	Grizzafi Vial 1	4 mi NE of Patterson, St. Mary Parish, Louisiana	2660-00266-02	November 24, 2015
125870	R Colvin Estate 19-1	14.8 mi N of Ruston, Lincoln Parish, Louisiana	1720-00132-01	November 9, 2015
146567	Hammonds 1	1.8 mi SW of Calhoun, Ouachita Parish, Louisiana	2160-00146-00	July 9, 2013
146740	Eva Colvin 19-2	4.8 mi NNE of Vienna, Lincoln Parish, Louisiana	1720-00172-01	January 31, 2007
146882	Jiles Heirs 19-5, 19-6 Alt, & 19-7 Alt	4.6 mi NNE of Vienna, Lincoln Parish, Louisiana	1720-00173-02	October 30, 2015
146883	Colvin Estate 19-2	5.6 mi NNE of Vienna, Lincoln Parish, Louisiana	1720-00174-01	January 5, 2016
146884	Cook Estate 30-2	2.8 mi NNE of Vienna, Lincoln Parish, Louisiana	1720-00175-00	October 21, 2015
146886	Eva Colvin 19-3	5 mi NNE of Vienna, Lincoln Parish, Louisiana	1720-00176-01	April 2, 2012
146887	Clay Colvin B 24-5	3.7 mi NNE of Vienna, Lincoln Parish, Louisiana	1720-00177-01	July 27, 2015

Notice of Potential Penalty
Riviera Operating, LLC
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AGENCY INTEREST NUMBER	FACILITY	LOCATION	PERMIT	ISSUE DATE
150129	J.B. Jiles 19-1 & L.H. Giles 19-3	2.5 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00195-01	July 16, 2018
158684	Mayfield 30-2	3 mi NE of Vienna, Lincoln Parish, Louisiana	1720-00240-01	June 23, 2011
159019	J.B. Jiles 30-5 Alt & Cook Estate 30-3 Alt	3.9 mi NNE of Vienna, Lincoln Parish, Louisiana	1720-00243-02	August 16, 2012
160992	J.B. Jiles 19-2	Off Pea Ridge Road, Lincoln Parish, Louisiana	1720-00253-01	June 9, 2015
171558	Della Colvin 19-1H	3 mi E of Vienna, Lincoln Parish, Louisiana	1720-00346-03	June 22, 2015
175016	East Vernon Central Point Station	5 mi NE of Chatham, Jackson Parish, Louisiana	1300-00487-01	February 8, 2016
177526	J.B. Jiles 30-H-1	Off Pea Ridge Road, Lincoln Parish, Louisiana	1720-00361-00	July 8, 2015
179398	Wyatt Lumber Co 36-1	Off LA Highway 3072, Lincoln Parish, Louisiana	1720-00368-00	February 13, 2012
179784	J.B. Jiles 30-2	Off Pea Ridge Road, Lincoln Parish, Louisiana	1720-00369-00	March 2, 2012
179785	FE Hammonds 2-33	Off Lorrie Lane, Lincoln Parish, Louisiana	1720-00370-00	March 2, 2012
196401	Howard 19-2 PF	Off Pea Ridge Road, Lincoln Parish, Louisiana	1720-00398-00	June 15, 2015
200588	Ruston CDP	Off Woods Road, Lincoln Parish, Louisiana	1720-00413-00	May 9, 2016
208001	Elliot Et Al 1-11 & Elliot Et Al 1H No. 1 Alt	0.75 mi SE of Vienna, Lincoln Parish, Louisiana	1720-00426-00	January 23, 2018
208012	Graham 2H #2 Alt	0.60 mi SW of Vienna, Lincoln Parish, Louisiana	1720-00427-00	October 12, 2017
211737	Carter 6H-1	1.7 mi SE of Vienna, Lincoln Parish, Louisiana	1720-00482-00	June 15, 2018

Notice of Potential Penalty
Riviera Operating, LLC
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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:

The Respondent's name changed on September 11, 2018. The Respondent submitted a Notification of Change Form (NOC-1) to the Department on or about January 16, 2019, and submitted additional information on February 19, 2019. Each failure to submit the NOC-1 and associated documentation to the Department within forty-five (45) days after a company name change of the owner/operator of a permitted facility is a violation of LAC 33:1.1905.A and La. R.S. 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 Jacob Danielson at (225) 219-3703 or Jacob.Danielson@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 33:1.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
Riviera Operating, LLC
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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 Iturralde
Assistant Secretary
Office of Environmental Compliance

LI/JDD/jdd
Alt ID No. multiple

c: Riviera Operating, LLC
c/o Andrew Ray
600 Travis Street, Suite 1700
Houston, Texas 77002



**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-19-00690	Contact Name	Jacob Danielson
Agency Interest (AI) No.	Multi	Contact Phone No.	(225) 219-3703
Alternate ID No.	Multi		
Respondent:	Riviera Operating, LLC	Facility Name:	Multiple Facilities
	c/o C T Corporation System	Physical Location:	Multiple Facilities
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	Multiple Facilities
	Baton Rouge, LA 70816	Parish:	Multiple Facilities

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 33:1.Subpart1.Chapter7.
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-19-00690), 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-19-00690), 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-19-00690) 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: Jacob Danielson