STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

WAGNER OIL COMPANY

AI # 113256, 117043, 16989, 32719

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

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 owned and/or operated facilities located in Plaquemines Parish, St. Martin Parish, and Pointe Coupee Parish, Louisiana ("the Facilities").

II

On April 30, 2013, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-11-01528 (Exhibit 1).

On November 10, 2014, the Department issued to Respondent a Notice of Potential Penalty, Enforcement No. AE-PP-14-00538 (Exhibit 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 FIFTEEN THOUSAND NINE HUNDRED TWENTY AND NO/100 DOLLARS ($15,920.00), of which One Thousand Three Hundred Ninety-Three and 55/100 Dollars ($1,393.55) 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 Notices 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

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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 Plaquemines Parish, St. Martin 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:                             
(Signature)
David Chambers
(Printed)

TITLE: Operations Manager

THUS DONE AND SIGNED in duplicate original before me this 3rd day of May, 2021, at Tarrant County, Texas.

Melissa D. Mapp
NOTARY PUBLIC (ID # 131156176)

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 August, 2021, at Baton Rouge, Louisiana.

Amber G. Litchfield
NOTARY PUBLIC (ID # 92503)

Approved:               
Lourdes Iturralde, Assistant Secretary

SA-AE-20-0119
CERTIFIED MAIL (7004 2510 0005 5767 3451)
RETURN RECEIPT REQUESTED

WAGNER OIL COMPANY
c/o C T Corporation System
Agent for Service of Process
5615 Corporate Blvd., Ste. 400B
Baton Rouge, LA 70808

RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-11-01528
AGENCY INTEREST NO. 113256 & 117043

Dear Madam:

On or about January 18, 2012, and March 5, 2013, file reviews of STELLA EAST PRODUCTION FACILITY (FACILITY), Agency Interest No. 113256, owned and/or operated by WAGNER OIL COMPANY (RESPONDENT), an oil and gas production facility, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located 2.5 miles south of Belle Chasse in Plaquemines Parish, Louisiana. The facility previously operated under Standard Oil and Gas Air (SOGA) Permit No. 2240-00337-00 issued on September 15, 2003. Ownership and operatorship of the facility were transferred to the Respondent on or about March 1, 2005. The facility currently operates under Air Permit No. 2240-00337-01 issued on January 20, 2012.

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 operated the following emissions sources prior to obtaining authorization from the Department:
<table>
<thead>
<tr>
<th>Emission Point No./ Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>14-10-LPS-WG/ Low Pressure Sep Waste Gas</td>
</tr>
<tr>
<td>15-10-GPFS-RG/ Glycol Pump Flash Sep-Relief Gas</td>
</tr>
<tr>
<td>16-10-VS/ Vent Stack</td>
</tr>
<tr>
<td>17-10-BV/ Blowcase Vessel</td>
</tr>
<tr>
<td>18-10-BV/ Blowcase Vessel</td>
</tr>
<tr>
<td>19-10-GOP/ Gas Operated Pumps</td>
</tr>
<tr>
<td>20-10-GOP/ Gas Operated Pumps</td>
</tr>
<tr>
<td>21-10-PC/ Pneumatic Controllers</td>
</tr>
<tr>
<td>22-10-MST-V/ Methanol Storage Tank</td>
</tr>
</tbody>
</table>

According to correspondence from the Respondent dated February 17, 2012, operation of the above listed emissions sources commenced prior to 2005. On January 20, 2012, the Department issued Air Permit No. 2240-00337-01, which added the aforementioned emissions sources to the facility's emissions inventory. Each event of the Respondent's failure to obtain approval from the Department prior to operation of each of the emissions sources is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

On or about January 18, 2012, and March 5, 2013, file reviews of **HERO #4 PRODUCTION FACILITY (FACILITY)**, Agency Interest No. 117043, owned and/or operated by **WAGNER OIL COMPANY (RESPONDENT)**, an oil and gas production facility, were performed to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations. The facility is located three (3) miles south of Belle Chasse in Plaquemines Parish, Louisiana. The facility previously operated under Standard Oil and Gas Air (SOGA) Permit No. 2240-00353-00 issued on August 10, 2004. Ownership and operatorship of the facility were transferred to the Respondent on or about March 1, 2005. The facility currently operates under Air Permit No. 2240-00353-01 issued on January 20, 2012.

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 operated the following emissions sources prior to obtaining authorization from the Department:
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<table>
<thead>
<tr>
<th>Emission Point No./ Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>13-10-LH-BS/ Line Heater</td>
</tr>
<tr>
<td>15-10-LPS-WG/ Low Pressure Sep Waste Gas</td>
</tr>
<tr>
<td>16-10-LPS-WG/ Low Pressure Sep Waste Gas</td>
</tr>
<tr>
<td>16-10-PC/ Pneumatic Controllers</td>
</tr>
<tr>
<td>17-10-GPFS-RG/ Glycol Pump Flash Sep Relief Gas</td>
</tr>
<tr>
<td>18-10-VS/ Vent Stack</td>
</tr>
<tr>
<td>19-10-MST/ Methanol Storage Tank</td>
</tr>
<tr>
<td>20-10-GOP/ Gas Operated Pump</td>
</tr>
<tr>
<td>21-10-BV/ Blowcase Vessel</td>
</tr>
<tr>
<td>22-10-BV/ Blowcase Vessel</td>
</tr>
</tbody>
</table>

According to correspondence from the Respondent dated February 17, 2012, operation of the above listed emissions sources commenced prior to 2005. On January 20, 2012, the Department issued Air Permit No. 2240-00353-01, which added the aforementioned emissions sources to the facility’s emissions inventory. Each event of the Respondent’s failure to obtain approval from the Department prior to operation of each of the emissions sources 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 Kenzie Bozeman at (225) 219-3748 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
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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.

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,

[Signature]

Cheryl Sonnier Nolan
Assistant Secretary

CSN/KEB/keb
Alt ID No. 2240-00337 & 2240-00353

cc: Wagner Oil Company
    Barbara Critchlow
    P.O. Box 2907
    Corpus Christi, TX 78403-2907
CERTIFIED MAIL (7004 2510 0005 5763 0881)
RETURN RECEIPT REQUESTED

WAGNER OIL COMPANY
c/o C T Corporation System
Agent for Service of Process
5615 Corporate Blvd., Suite 400B
Baton Rouge, LA 70808

RE: NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-PP-14-00538
AGENCY INTEREST NOS. 16989 and 32719

Dear Sir/Madam:

On or about June 26, 2014, file reviews of the following facilities, 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.

<table>
<thead>
<tr>
<th>AGENCY INTEREST NUMBER</th>
<th>FACILITY</th>
<th>LOCATION</th>
<th>PERMIT</th>
<th>ISSUE DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>16989</td>
<td>Commingle Facility No. 3, St. Martinville Field</td>
<td>0.6 miles southwesterly of, St. Martinville, St. Martin Parish, LA</td>
<td>2520-00023-01</td>
<td>10/08/1998</td>
</tr>
<tr>
<td>32719</td>
<td>Lottie Jones Wilbert Production Facility</td>
<td>Four (4) miles east of Lotie, Lotie, Pointe Coupee Parish, LA</td>
<td>2260-00040-00</td>
<td>07/14/1995</td>
</tr>
</tbody>
</table>

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 aforementioned facilities on November 01, 2013. The Respondent submitted a Notification of Change Form (NOC-1) to the Department on or about April 10, 2014. Each failure to submit the NOC-1 and associated documentation to the Department within forty-five (45) days
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B. The Respondent operated the aforementioned facilities from November 01, 2013, through May 08, 2014 without a valid air permit. Operation of each facility from the date of acquisition until the permit was transferred 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 David Scymour 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 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,

[Signature]
Cheryl Sonnier Nolan
Assistant Secretary

CSN/DGS/dgs
Alt ID No. 2620-00023-01 and 2260-00040-00
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WAGNER OIL COMPANY
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c: WAGNER OIL COMPANY
   Sabrina Bonner
   500 Commerce St., Suite 600
   Fort Worth, TX 76102