

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

**IN THE MATTER OF:**

**SWN PRODUCTION (LOUISIANA), LLC**

**AI # 167395, 187107, 204142, 204144,  
205403, 206896, 207847, 218336, 220922,  
226531, 226532, 226652, 227249, 227250,  
228801, 229796, 229842, 230098, 230118,  
230338, 230413, 230414, 230945, 230947,  
231225, 231566, 231604, 231701**

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

\* **Settlement Tracking No.**  
\* **SA-AE-24-0045**  
\*  
\* **Enforcement Tracking No.**  
\* **AE-PP-23-00247**  
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**SETTLEMENT AGREEMENT**

The following Settlement Agreement is hereby agreed to between SWN Production (Louisiana), 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 facilities located in Red River Parish, Sabine Parish, and DeSoto Parish, Louisiana (“the Facilities”).

II

On December 5, 2023, the Department issued to Respondent a Notice of Potential Penalty, Enforcement Tracking No. AE-PP-23-00247 (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 NINETEEN THOUSAND AND NO/100 DOLLARS (\$19,000.00), of which One Thousand One Hundred Sixteen and 11/100 Dollars (\$1,116.11) represents the Department's enforcement costs, in settlement of the claims set forth in this Settlement 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 Agreement 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 Settlement 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 Settlement Agreement in any action by the Department to enforce this Settlement Agreement.

## VII

This Settlement Agreement 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 Agreement, 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 Red River Parish, Sabine Parish, and DeSoto Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this Settlement Agreement 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 Agreement 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 thirty (30) days from notice of the Secretary's signature. If payment is not received within that time, this Settlement Agreement is voidable at the option of the Department. The Respondent shall provide its tax identification number when submitting payment. 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 attached hereto.

XI

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement Agreement.

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.

**SWN PRODUCTION (LOUISIANA), LLC**

BY: [Signature]  
(Signature)

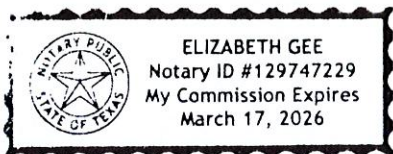
\_\_\_\_\_  
(Printed)

TITLE: \_\_\_\_\_

THIS DONE AND SIGNED in duplicate original before me this 1<sup>st</sup> day of October, 2024, at Spring, TEXAS

[Signature]

NOTARY PUBLIC (ID # 129747229)



\_\_\_\_\_  
(stamped or printed)

**LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY**  
Aurelia S. Giacometto, Secretary

BY: [Signature]  
Jerrie "Jerry" Lang, Assistant Secretary  
Office of Environmental Compliance

THIS DONE AND SIGNED in duplicate original before me this 19<sup>th</sup> day of February, 2025, at Baton Rouge, Louisiana.

[Signature]  
NOTARY PUBLIC (ID # 51205)  
DEIDRA JOHNSON  
NOTARY PUBLIC  
EAST BATON ROUGE PARISH  
LOUISIANA  
NOTARY ID NO. 51205

\_\_\_\_\_  
(stamped or printed)

Approved: [Signature]  
Jerrie "Jerry" Lang, Assistant Secretary



**JOHN BEL EDWARDS**  
GOVERNOR

**ROGER W. GINGLES**  
SECRETARY

**State of Louisiana**  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL COMPLIANCE

DEC 05 2023

CERTIFIED MAIL 7021 1970 0001 3502 0590  
RETURN RECEIPT REQUESTED

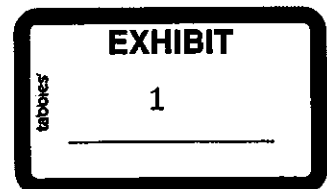
**SWN PRODUCTION (LOUISIANA), LLC**  
c/o C T Corporation System  
Agent for Service of Process  
3867 Plaza Tower Drive  
Baton Rouge, LA 70816

**RE: NOTICE OF POTENTIAL PENALTY  
ENFORCEMENT TRACKING NO. AE-PP-23-00247  
AGENCY INTEREST NOS. 167395, 187107, 204142, 204144, 205403, 206896, 207847,  
218336, 220922, 226531, 226532, 226652, 227249, 227250,  
228801, 229796, 229842, 230098, 230118, 230338, 230413,  
230414, 230945, 230947, 231225, 231566, 231604, and 231701**

Dear Sir/Madam:

On or about October 30, 2023, the Louisiana Department of Environmental Quality (the Department) conducted a file review of the facilities listed in the table below, owned and/or operated by **SWN PRODUCTION (LOUISIANA), LLC (RESPONDENT)** to determine the degree of compliance with the Louisiana Environmental Quality Act (the Act) and the Air Quality Regulations.

The Respondent owns and/or operates the following facilities under the authority of Minor Source Oil & Gas General Air Permits listed in the table beginning on the following page. In the Notification of Change Form (NOC-1) postmarked on October 7, 2022, the Respondent notified the Department that the following facilities were acquired from GEP Haynesville, LLC on December 31, 2021. The Department transferred the permits to the Respondent on March 13, 2023 for the facilities listed in the table below.



## SWN PRODUCTION (LOUISIANA), LLC

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Agency Interest Number	Facility Name	Facility Location	Permit No.	Permit Issue Date	Permit Transfer Date
167395	Madden 18-19HC 001-Alt, Madden 18H 002-Alt, & Madden 18H 001	2.4 Mi. NNW of Hall Summit, Red River Parish, Louisiana	2420-00145-01	1/5/2022	3/13/2023
187107	OB Madden 7-6HC-1 Alt, 7-6HC-2 Alt, 7-18HC-1 Alt, & 7-18HC-2 Alt	Parish Rd 337, Hall Summit, Red River Parish, Louisiana	2420-00249-01	11/23/2021	3/13/2023
204142	Cecile Land 17H 2&3 Alt	3.8 Mi. NE of Grand Bayou, Red River Parish, Louisiana	2420-00669-00	11/1/2021	3/13/2023
204144	Murphy Bonded 3H-01 Alt, 3H-02 Alt, 3H-03 Alt	10.8 Mi. to Loggy Bayou, Red River Parish, Louisiana	2420-00666-00	4/29/2020	3/13/2023
205403	Edgar Cason 3H 2-Alt, 3-Alt, & 4-Alt	Hwy. 509, Grand Bayou, Red River Parish, Louisiana	2420-00650-01	5/3/2021	3/13/2023
206896	McFarma et al. 28H-003-Alt & 28H-004-Alt	US Hwy. 71, 1.5 Mi. S of LA Hwy 514, Coushatta, Red River Parish, Louisiana	2420-00679-00	6/21/2021	3/13/2023
207847	Cecile Land 9-4HC 1&2-Alt & 9-16HC 1&2 Alt	US Hwy. 71, 1.4 Mi. N of LA Hwy. 515, Coushatta, Red River Parish, Louisiana	2420-00659-00	8/29/2019	3/13/2023
218336	GEP et al. 9-4HC 1&2 Alt & 9-16HC 1&2 Alt	Next to 206 AJ Estay Road, Coushatta, Red River Parish, Louisiana	2420-00658-00	9/10/2019	3/13/2023
220922	Olympia Min 23 - 26HC 001-Alt & 002-Alt & Olympia Minerals 23 001	Off Lease Road, Pleasant Hill, Sabine Parish, Louisiana	2700-00199-00	4/16/2021	3/13/2023
226531	Olympia Min 35-02HC-001 & 35-02HC-002	Off Big Woods Road, Zwolle, Sabine Parish, Louisiana	2700-00203-00	6/3/2021	3/13/2023
226532	Connie G 8-17HC 001-Alt & 002-Alt	Off US-71N, Edgefield, Red River Parish, Louisiana	2420-00672-00	5/26/2021	3/13/2023
226652	Cason Madden 8" Pipeline Facility	Off Parish Road 337, Edgefield, Red River Parish, Louisiana	2420-00673-00	12/23/2021	3/13/2023
227249	Joan Brandon et al. 20H 1, 2, 3 Alt & Alton Brandon 20H-1	Off LA-175, Pleasant Hill, Sabine Parish, Louisiana	2700-00204-00	4/8/2021	3/13/2023
227250	Thomas Greer et al. 16H-1 Alt, 17H-1 Alt, & Terry Greer 16H-1	Off Sistrunk Loop, Pleasant Hill, Sabine Parish, Louisiana	2700-00205-00	4/19/2021	3/13/2023
228801	McFarms et al. 28H-001-Alt & 28H-002-Alt	Off Lease Road, Edgefield, Red River Parish, Louisiana	2420-00678-00	7/2/2021	3/13/2023
229796	Bozeman et al. 31-30HC 1, 2, 3 Alt	Off LA-174/W. Stoddard St. Pleasant Hill, Sabine Parish, Louisiana	2700-00210-00	9/30/2021	3/13/2023
229842	York 6-31 HC 1&2 Alt & York 31H-1 Alt	Off US-371/Ringgold Ave., Coushatta, Red River Parish, Louisiana	2420-00680-00	10/13/2021	3/13/2023
230098	Milner et al. 13H 001-Alt 002-Alt & Milner et al. 13-12HC 001-Alt	Off Oil Field Rd, Edgefield, Red River Parish, Louisiana	2420-00682-00	11/4/2021	3/13/2023

## SWN PRODUCTION (LOUISIANA), LLC

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Agency Interest Number	Facility Name	Facility Location	Permit No.	Permit Issue Date	Permit Transfer Date
230118	Jackson Davis 25-24HC-001 & 002 Alt	32.266447 latitude -93.757164 longitude Stonewall, DeSoto Parish, Louisiana	0760-01904-00	12/3/2021	3/13/2023
230338	EDWL 18-19-30 HC 001-Alt & 002-Alt	0.9 miles NW of Kickapoo, DeSoto Parish, Louisiana	0760-01905-00	12/1/2021	3/13/2023
230413	Moham et al. 25-36HC 1, 2 Alt & Moham et al. 25-36H 3	Off Glen Martin, Kickapoo, DeSoto Parish, Louisiana	0760-01908-00	12/9/2021	3/13/2023
230414	BRP LLC 23H-001 Alt & Sustainable 23 001	32.093889 latitude -93.664444 longitude Mansfield, DeSoto Parish, Louisiana	0760-01906-00	12/23/2021	3/13/2023
230945	Blackstone Ivory 6H 001, 7-6HC 001-Alt, & 7-6HC 002-Alt	Off Parish Road 445, Edgefield, Red River Parish, Louisiana	2420-00685-00	1/12/2022	3/13/2023
230947	WJ Courtney et al. 6H 001-Alt & WJ Courtney 6-7 HC 001-Alt	Off Red River Parish Road 338, Edgefield, Red River Parish, Louisiana	2420-00684-00	12/14/2021	3/13/2023
231225	Madden 17-20HC 001-Alt, 002-Alt & 003-Alt	32.205589 latitude -93.313306 longitude Hall Summit, Red River Parish, Louisiana	2420-00689-00	4/5/2022	3/13/2023
231566	Bollingham 18-7HC 001-Alt & 002-Alt	7 Mi. NE of Edgefield, Red River Parish, Louisiana	2420-00692-00	3/9/2022	3/13/2023
231604	Caney Creek Land 6H-2 & 6-1	Off Lease Rd, Edgefield, Red River Parish, Louisiana	2420-00693-00	1/26/2022	3/13/2023
231701	G&V 21-28-33 HC 001, G&V 20-29-32 HC 001-Alt, & Brown SW MIN 20 H 001	Off US-371, Edgefield, Red River Parish, Louisiana	2420-00690-00	2/9/2022	3/13/2023



**SWN PRODUCTION (LOUISIANA), LLC**

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While the investigation by the Department is not yet complete, the following violations were noted during the course of the file review:

- A. The Respondent failed to submit Name/Ownership/Operator Change Forms (NOC-1) to the Department within forty-five (45) days of ownership changes for each facility listed in the table above. The form was postmarked on October 7, 2022 and lists the effective date of change as December 31, 2021. This is a violation of LAC 33:I.1907.B, LAC 33:III.517.G, and La. R.S. 30:2057(A)(2).
- B. The Respondent acquired ownership and/or operational control of each facility listed in the table on the previous pages on December 31, 2021. The facilities' air permits were transferred on March 13, 2023. The unauthorized operation of each facility from the date each facility was acquired until each permit was transferred is a violation of LAC 33:III.501.C.2, La. R.S. 30:2057(A)(1), 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 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 Kim Alston at 225-219-3378 or [Kim.Alston@la.gov](mailto:Kim.Alston@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.

**SWN PRODUCTION (LOUISIANA), LLC**

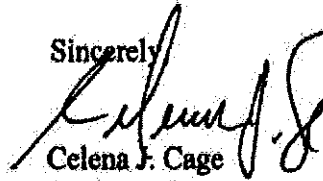
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The Department assesses civil penalties based on LAC 33:I.Subpart1.Chapter 7. To expedite closure of this **NOTICE OF POTENTIAL PENALTY**, the Respondent may offer a settlement amount to resolve any claim for civil penalties for the violations described 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 may submit the settlement offer within one hundred and eighty (180) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. 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.

Sincerely



Celena J. Cage  
Assistant Secretary

Office of Environmental Compliance

CJC/kea

Alt ID Nos. See Attachment A

**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-23-00247	Contact Name	Kim Alston
Agency Interest (AI) Nos.	See Attachment A	Contact Phone No.	225-219-3378
Alternate ID Nos.	See Attachment A		
Respondent:	SWN Production (Louisiana), LLC	Facility Name:	See Attachment A
	c/o CT Corporation System	Physical Location:	See Attachment A
	Agent for Service of Process		
	3867 Plaza Tower Drive	City, State, Zip:	See Attachment A
	Baton Rouge, LA 70816	Parish:	See Attachment A

**SETTLEMENT OF PENALTY (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-23-00247), 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"/>	The Respondent may submit the settlement offer within one hundred and eighty (180) days of receipt of this NOTICE OF POTENTIAL PENALTY (AE-PP-23-00247).
<input type="checkbox"/>	In order to resolve any claim for civil penalties for the violations in NOTICE OF POTENTIAL PENALTY (AE-PP-23-00247), 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"> <li>• Monetary component = \$ _____</li> <li>• Beneficial Environmental Project (BEP) component (optional)= \$ _____</li> <li>• <b>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.</b></li> </ul>
<input type="checkbox"/>	The Respondent has reviewed the violations noted in NOTICE OF POTENTIAL PENALTY (AE-PP-23-00247) 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: Kim Alston

## SWN PRODUCTION (LOUISIANA), LLC

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## Attachment A

Agency Interest Number	Facility	Location	Alternate Id No.
167395	Madden 18-19HC 001-Alt, Madden 18H 002-Alt, & Madden 18H 001	2.4 Mi. NNW of Hall Summit, Red River Parish, Louisiana	2420-00145
187107	OB Madden 7-6HC-1 Alt, 7-6HC-2 Alt, 7-18HC-1 Alt, & 7-18HC-2 Alt	Parish Rd 337, Hall Summit, Red River Parish, Louisiana	2420-00249
204142	Cecile Land 17H 2&3 Alt	3.8 MI. NE of Grand Bayou, Red River Parish, Louisiana	2420-00669
204144	Murphy Bonded 3H-01 Alt, 3H-02 Alt, 3H-03 Alt	10.8 Mi. to Loggy Bayou, Red River Parish, Louisiana	2420-00666
205403	Edgar Cason 3H 2-Alt, 3-Alt, & 4-Alt	Hwy. 509, Grand Bayou, Red River Parish, Louisiana	2420-00650
206896	McFarms et al. 28H-003-Alt & 28H-004-Alt	US Hwy. 71, 1.5 Mi. S of LA Hwy 514, Coushatta, Red River Parish, Louisiana	2420-00679
207847	Cecile Land 9-4HC 1&2-Alt & 9-16HC 1&2 Alt	US Hwy. 71, 1.4 Mi. N of LA Hwy. 515, Coushatta, Red River Parish, Louisiana	2420-00659
218336	GEP et al. 9-4HC 1&2 Alt & 9-16HC 1&2 Alt	Next to 206 AJ Estay Road, Coushatta, Red River Parish, Louisiana	2420-00658
220922	Olympia Min 23 - 26HC 001-Alt & 002-Alt & Olympia Minerals 23 001	Off Lease Road, Pleasant Hill, Sabine Parish, Louisiana	2700-00199
226531	Olympia Min 35-02HC-001 & 35-02HC-002	Off Big Woods Road, Zwolle, Sabine Parish, Louisiana	2700-00203
226532	Connie G 8-17HC 001-Alt & 002-Alt	Off US-71N, Edgefield, Red River Parish, Louisiana	2420-00672
226652	Cason Madden 8" Pipeline Facility	Off Parish Road 337, Edgefield, Red River Parish, Louisiana	2420-00673
227249	Joan Brandon et al. 20H 1, 2, 3 Alt & Alton Brandon 20H-1	Off LA-175, Pleasant Hill, Sabine Parish, Louisiana	2700-00204
227250	Thomas Greer et al. 16H-1 Alt, 17H-1 Alt, & Terry Greer 16H-1	Off Sistrunk Loop, Pleasant Hill, Sabine Parish, Louisiana	2700-00205
228801	McFarms et al. 28H-001-Alt & 28H-002-Alt	Off Lease Road, Edgefield, Red River Parish, Louisiana	2420-00678
229796	Bozeman et al. 31-30HC 1, 2, 3 Alt	Off LA-174/W. Stoddard St. Pleasant Hill, Sabine Parish, Louisiana	2700-00210
229842	York 6-31 HC 1&2 Alt & York 31H-1 Alt	Off US-371/Ringgold Ave., Coushatta, Red River Parish, Louisiana	2420-00680

## SWN PRODUCTION (LOUISIANA), LLC

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## Attachment A (continued)

Agency Interest Number	Facility	Location	Alternate Id No.
230098	Milner et al. 13H 001-Alt 002-Alt & Milner et al. 13-12HC 001-Alt	Off Oil Field Rd, Edgefield, Red River Parish, Louisiana	2420-00682
230118	Jackson Davis 25-24HC- 001 & 002 Alt	32.266447 latitude -93.757164 longitude Stonewall, DeSoto Parish, Louisiana	0760-01904
230338	EDWL 18-19-30 HC 001-Alt & 002-Alt	0.9 miles NW of Kickapoo, DeSoto Parish, Louisiana	0760-01905
230413	Moham et al. 25-36HC 1, 2 Alt & Moham et al. 25- 36H 3	Off Glen Martin, Kickapoo, DeSoto Parish, Louisiana	0760-01908
230414	BRP LLC 23H-001 Alt & Sustainable 23 001	32.093889 latitude -93.664444 longitude Mansfield, DeSoto Parish, Louisiana	0760-01906
230945	Blackstone Ivory 6H 001, 7-6HC 001-Alt, & 7-6HC 002-Alt	Off Parish Road 445, Edgefield, Red River Parish, Louisiana	2420-00685
230947	WJ Courtney et al. 6H 001-Alt & WJ Courtney 6-7 HC 001-Alt	Off Red River Parish Road 338, Edgefield, Red River Parish, Louisiana	2420-00684
231225	Madden 17-20HC 001- Alt, 002-Alt & 003-Alt	32.205589 latitude -93.313306 longitude Hall Summit, Red River Parish, Louisiana	2420-00689
231566	Bollingham 18-7HC 001- Alt & 002-Alt	7 Mi. NE of Edgefield, Red River Parish, Louisiana	2420-00692
231604	Caney Creek Land 6H-2 & 6-1	Off Lease Rd, Edgefield, Red River Parish, Louisiana	2420-00693
231701	G&V 21-28-33 HC 001, G&V 20-29-32 HC 001- Alt, & Brown SW MIN 20 H 001	Off US-371, Edgefield, Red River Parish, Louisiana	2420-00690

**WHAT IS A SETTLEMENT AGREEMENT?**

Once the Department has determined that a penalty is warranted for a violation, the Assistant Secretary of the Department, with the concurrence of the Attorney General, may enter into a settlement agreement with the Respondent as a means to resolve the Department's claim for a penalty.

**HOW DOES THE SETTLEMENT AGREEMENT PROCESS WORK?**

To begin the settlement agreement process, the Department must receive a written settlement offer. Once this offer is submitted, it is sent for approval by the Assistant Secretary of the Office of Environmental Compliance. The formal Settlement Agreement is drafted and sent to the Attorney General's office where the Attorney General has a 90 day concurrence period. During this time, the Respondent is required to run a public notice in an official journal and/or newspaper of general circulation in each affected parish. After which, a 45 day public comment period is opened to allow the public to submit comments. Once the Department has received concurrence, the settlement agreement is signed by both parties. The Department then forwards a letter to the responsible party to establish a payment plan and/or beneficial environmental project (BEP).

**WHAT SHOULD I INCLUDE IN A SETTLEMENT AGREEMENT?**

The Department uses the penalty determination method defined in LAC 33:1.705 as a guideline to accepting settlement offers. The penalty matrix is used to determine a penalty range for each violation based on the two violation specific factors, the nature and gravity of the violation and the degree of risk/impact to human health and property.

		NATURE AND GRAVITY OF THE VIOLATION		
		MAJOR	MODERATE	MINOR
DEGREE OF RISK OR IMPACT TO HUMAN HEALTH OR PROPERTY	MAJOR	\$32,500 to \$20,000	\$20,000 to \$16,000	\$16,000 to \$11,000
	MODERATE	\$11,000 to \$8,000	\$8,000 to \$5,000	\$5,000 to \$3,000
	MINOR	\$3,000 to \$1,500	\$1,500 to \$500	\$500 to \$100

**Degree of Risk to Human Health or Property**

**Major:** (actual measurable harm or substantial risk of harm) A violation of major impact to an environmental resource or a hazard characterized by high volume and/or frequent occurrence and/or high pollutant concentration.

**Moderate:** (potential for measurable detrimental impact) A violation of moderate impact and hazard may be one characterized by occasional occurrence and/or pollutant concentration that may be expected to have a detrimental effect under certain conditions

**Minor:** (no harm or risk of harm) A violation of minor impact are isolated single incidences and that cause no measurable detrimental effect or are administrative in nature.

**Nature and Gravity of the Violation**

**Major:** Violations of statutes, regulations, orders, permit limits, or permit requirements that result in negating the intent of the requirement to such an extent that little or no implementation of requirements occurred.

**Moderate:** Violations that result in substantially negating the intent of the requirements, but some implementation of the requirements occurred.

**Minor:** Violations that result in some deviation from the intent of the requirement; however, substantial implementation is demonstrated.

**The range is adjusted using the following violator specific factors:**

1. history of previous violations or repeated noncompliance;
2. gross revenues generated by the respondent;
3. degree of culpability, recalcitrance, defiance, or indifference to regulations or orders;
4. whether the Respondent has failed to mitigate or to make a reasonable attempt to mitigate the damages caused by the violation; and
5. whether the violation and the surrounding circumstances were immediately reported to the department, and whether the violation was concealed or there was an attempt to conceal by the Respondent.



Given the previous information, the following formula is used to obtain a penalty amount.

$$\text{Penalty Event Total} = \text{Penalty Event Minimum} + (\text{Adjustment Percentage} \times [\text{Penalty Event Maximum} - \text{Penalty Event Minimum}])$$

After this, the Department adds any monetary benefit of noncompliance to the penalty event. In the event that a monetary benefit is gained due to the delay of a cost that is ultimately paid, the Department adds the applicable judicial interest. Finally, the Department adds all response costs including, but not limited to, the cost of conducting inspections, and the staff time devoted to the preparation of reports and issuing enforcement actions.

**WHAT IS A BEP?**

A BEP is a project that provides for environmental mitigation which the respondent is not otherwise legally required to perform, but which the defendant/respondent agrees to undertake as a component of the settlement agreement. Project categories for BEPs include public health, pollution prevention, pollution reduction, environmental restoration and protection, assessments and audits, environmental compliance promotion, and emergency planning, preparedness and response. Other projects may be considered if the Department determines that these projects have environmental merit and is otherwise fully consistent with the intent of the BEP regulations.

**WHAT HAPPENS IF MY OFFER IS REJECTED?**

If an offer is rejected by the Assistant Secretary, the Legal Division will contact the responsible party, or anyone designated as an appropriate contact in the settlement offer, to discuss any discrepancies.

**WHERE CAN I FIND EXAMPLES AND MORE INFORMATION?**

- Settlement Offers ..... searchable in EDMS using the following filters  
Media: Air Quality, Function: Enforcement, Description: Settlement
- Settlement Agreements ..... Enforcement Division's website  
specific examples can be provided upon request
- Penalty Determination Method ..... LAC 33:I Chapter 7
- Beneficial Environmental Projects ..... LAC 33:I Chapter 25  
FAQs
- Judicial Interest..... provided by the Louisiana State Bar Association

