

STATE OF MISSISSIPPI

PHIL BRYANT GOVERNOR

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

GARY C. RIKARD, EXECUTIVE DIRECTOR

August 28, 2015

CERTIFIED MAIL 7010 1870 0003 4948 1946

Mr. Jeff Trotter Adams and Reese LLP 1018 Highland Colony Parkway, Suite 800 Ridgeland, MS 39157

Re: Renpetco II, LLC

Agreed Order No. 6567 15

Dear Mr. Trotter:

Enclosed you will find a copy of Agreed Order No. 6567 15, which has been executed by the Executive Director of the Mississippi Department of Environmental Quality, Gary Rikard, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The first penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope. All future installment payments should be mailed to the MDEQ Fees Division at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Cody Fisher at (601) 961-5065.

Sincerely,

Chris Sanders, P.E.

Chief, Environmental Compliance and Enforcement Division

Enclosure

cc: Cody Fisher

Agency Interest No. 67778 ENF20150002

BEFORE THE MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

COMPLAINANT

6567 15

VS.

ORDER NO.

RENPETCO II, LLC 17625 EL CAMINO REAL, SUITE 220 HOUSTON, TEXAS 77058

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and Renpetco II, LLC, Respondent, in the above captioned cause and agree as follows:

1.

Respondent is the owner of an oil well head located in Bay Springs, Jasper County, Mississippi (31.9903220,-89.273750). On or about January 5, 2015, Respondent's personnel discovered a well control event that was releasing crude oil. Respondent's personnel and affiliated contractors stopped the release event and began cleanup operations the same day. Active cleanup occurred onsite from January 5 – January 9, when the spill response moved into an Operations and Maintenance phase. The spill impacted soil in the vicinity of the well head and in the flow pathway leading to a tributary of Piney Creek. The spill and subsequent discharge has also impacted waters of the state including Piney Creek, a tributary leading to Piney Creek and adjacent wetlands. By letter dated April 30, 2015, Respondent was contacted by Complainant and notified of the following violations as a result of the release:

A. Pollution and/or placement of wastes in a location where they are likely to cause pollution of waters of the State in violation of Miss. Code Ann. § 49-17-29(2)(a).

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ECED

Respondent has continued to comply with expectations of cleanup endpoints as identified by the Federal and State On-Scene coordinators for this response.

2.

In lieu of a formal enforcement hearing concerning the violation listed above, Complainant and Respondent agree to settle this matter as follows:

A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$87,500. Respondent shall pay this penalty to MDEQ in twelve (12) consecutive monthly installments; the first being due within forty-five (45) days after this Agreed Order has been executed by the MDEQ Executive Director in the amount of \$10,500.00 and the following eleven (11) payments due each thirty days thereafter in the amounts of \$7,000.00. The settlement payments shall be submitted to:

Mississippi Department of Environmental Quality

Attn: Jennifer Parish

P.O. Box 2339

Jackson, MS 39225

3.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

4.

Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. § 49-17-31, and that it has made an informed waiver of that right.

6.

This Agreed Order is a settlement of a disputed claim and by execution of this Agreed Order Respondent does not admit that it has violated the cited statutory provisions.

ORDERED, this the 28 day of AVGOST, 2015.

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

GARY C. RIKARD

EXECUTIVE DIRECTOR
MISSISSIPPI DEPARTMENT

OF ENVIRONMENTAL QUALITY

AGREED, this the 1745 day of $August$, 2015.
RENPETCO II, LLC
BY:
TITLE: President
STATE OF Texas
COUNTY OF Harris
PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named <u>John J. Bassett</u> who first being duly sworn, did state upon his/her oath and acknowledge to me that he/she is the <u>President</u> of
Renpetco II, LLC and is authorized to sign and enter this Agreement.
SWORN AND SUBSCRIBED BEFORE ME, this the 17th day of August, 2015.
Steve W. Bugg Notary Public, State of Texas My Commission Expires: February 27, 2018 NOTARY PUBLIC
My Commission expires: 07 - 2.7-2018

Steve W. Bugg Norany Public, State of Tenes Ny Commission Expires: February 27, 2016