

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NUMBER: 2005-1244-EAQ-E TCEQ ID NO: RN104608732 ENF ID: 26261**  
**RESPONDENT NAME: ERIK HOWARD DBA HOWARD RANCH SUBDIVISION**

**ORDER TYPE:**

<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> EMERGENCY ORDER	

**CASE TYPE:**

<input type="checkbox"/> AGRICULTURE	<input type="checkbox"/> AIR	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE	<input type="checkbox"/> MUNICIPAL SOLID WASTE
<input type="checkbox"/> OCCUPATIONAL CERTIFICATION	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> RADIOACTIVE WASTE
<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL	<input type="checkbox"/> USED OIL
<input type="checkbox"/> USED OIL FILTER	<input checked="" type="checkbox"/> WATER QUALITY		

**SITE WHERE VIOLATION(S) OCCURRED:** Intersection of Ranch-to-Market Road 12 and Farm-to-Market Road 150, Hays County

**TYPE OF OPERATION:** Subdivision on the contributing zone of Edwards Aquifer

**SMALL BUSINESS:**  Yes  No

**OTHER SIGNIFICANT MATTERS:** There are no previous complaints. There is no record of additional pending enforcement actions regarding this facility.

**INTERESTED PARTIES:** No one other than the ED and the Respondent has expressed an interest in this matter.

**COMMENTS RECEIVED:** The *Texas Register* comment period expired on September 11, 2006. No comments were received.

**CONTACTS AND MAILING LIST:**

**TCEQ Attorney:** Ms. Laurencia Fasoyiro, Litigation Division, MC R-12, (713) 422-8914; Ms. Jennifer Cook, Litigation Division, MC 175 (512) 239-1873  
**TCEQ Enforcement Coordinator:** Mr. Brent Hurta, Enforcement Division, Section I, MC 219, (512) 239-6589  
**TCEQ Regional Contact:** Ms. Carolyn Runyon, Austin Regional Office, MC R-11, (512) 239-2929  
**Respondent:** Mr. Erik Howard, 23255 West FM 150, Driftwood, Texas 78619  
**Respondent's Attorney:** Not represented by counsel.

2007 APR 17 PM 4:51  
CHIEF CLERKS OFFICE  
TEXAS COMMISSION  
ON ENVIRONMENTAL  
QUALITY

**RESPONDENT'S NAME: ERIK HOWARD DBA HOWARD RANCH SUBDIVISION**  
**DOCKET NO.: 2005-1244-EAQ-E**

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b> <input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date(s) of Investigation(s) Relating to this Case:</b> May 13, 2005</p> <p><b>Date(s) of NOV(s)/NOE(s) Relating to this Case:</b> July 11, 2005 (NOE)</p> <p><b>Background Facts:</b></p> <p>On June 28, 2006, Litigation mailed a proposed Agreed Order to the Respondent. On July 7, 2006, the Litigation Division received a signed Agreed Order from the Respondent.</p> <p>The Respondent in this case does not owe any other penalties according to the Administrative Penalty Database Report.</p> <p><b>EAQ:</b></p> <p>Failed to submit and receive approval of a contributing zone plan prior to initiating construction over the Edwards Aquifer Contributing Zone. Specifically, the violation was documented on May 13, 2005 and a contributing zone plan was approved on July 11, 2005 [30 TEX. ADMIN. CODE § 213.21(d)].</p>	<p><b>Initial Calculated Penalty:</b> \$59,000</p> <p><b>Total Assessed:</b> \$36,000*</p> <p><b>Total Deferred:</b> \$0  <input type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>Total Paid/Due to General Revenue:</b> \$1,000 / \$35,000  The Respondent has paid \$1,000 of the administrative penalty. The remaining amount of \$35,000 shall be payable in 35 monthly payments of \$1,000 each.</p> <p><b>Site Compliance History Classification:</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification:</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 1, 2002</p> <p><b>*Explanation of Initial Calculated Penalty Reduction:</b>  The initial calculated penalty amount of \$59,000 was reduced to \$36,000 due to risk of litigation.</p>	<p><b>Corrective Action(s) Taken</b></p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures:</p> <ol style="list-style-type: none"> <li>1) On May 3, 2005, the Respondent submitted a Contributing Zone Plan to the Commission.</li> <li>2) On July 11, 2005, the Respondent received Commission approval of the Contributing Zone Plan.</li> </ol>



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision May 19, 2005

<b>DATES</b>	Assigned	18-Jul-2005	Screening	29-Jul-2005	EPA Due	
	PCW	24-Jan-2007				

<b>RESPONDENT/FACILITY INFORMATION</b>	
Respondent	Erik Howard dba Howard Ranch Subdivision
Reg. Ent. Ref. No.	RN104608732
Facility/Site Region	11-Austin
Major/Minor Source	Major Source

<b>CASE INFORMATION</b>			
Enf./Case ID No.	26261	No. of Violations	1
Docket No.	2005-1244-EAQ-E	Order Type	1660
Media Program(s)	Edwards Aquifer	Enf. Coordinator	Brent Hurta
Multi-Media		EC's Team	Enforcement Team 1
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	<b>\$5,000</b>
-------------------------------------------------------------	-------------------	----------------

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

<b>Compliance History</b>	0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	<b>\$0</b>
---------------------------	----------------	--------------------------------	------------

Notes: No enhancement due to Average Performer classification.

<b>Culpability</b>	No	0% Enhancement	<b>Subtotal 4</b>	<b>\$0</b>
--------------------	----	----------------	-------------------	------------

Notes: Respondent did not meet the culpability criteria.

<b>Good Faith Effort to Comply</b>	25% Reduction	<b>Subtotal 5</b>	<b>-\$1,250</b>
------------------------------------	---------------	-------------------	-----------------

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with a small x)

Notes: Respondent achieved compliance on July 11, 2005. Specifically, the respondent received approval of an Edwards Aquifer Contributing Zone Plan.

<b>Economic Benefit</b>	0% Enhancement*	<b>Subtotal 6</b>	<b>\$0</b>
-------------------------	-----------------	-------------------	------------

Total EB Amounts	\$28
Approx. Cost of Compliance	\$2,500

\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	<b>\$3,750</b>
-----------------------------	-----------------------	----------------

<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	1473% Enhancement	<b>Adjustment</b>	<b>\$55,250</b>
---------------------------------------------	-------------------	-------------------	-----------------

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes: Recommend an upwards adjustment of penalty due to the egregious nature of the violation and as a necessary deterrent to a violation of this type, over this aquifer, in the future.

<b>Final Penalty Amount</b>	<b>\$59,000</b>
-----------------------------	-----------------

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	<b>\$59,000</b>
-----------------------------------	-------------------------------	-----------------

<b>DEFERRAL</b>		Reduction	<b>Adjustment</b>	<b>\$0</b>
-----------------	--	-----------	-------------------	------------

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral not offered for non-expedited settlement.

<b>PAYABLE PENALTY</b>	<b>\$59,000</b>
------------------------	-----------------

<b>Screening Date</b> 29-Jul-2005	<b>Docket No.</b> 2005-1244-EAQ-E	<b>PCW</b>
<b>Respondent</b> Erik Howard dba Howard Ranch Subdivision		<i>Policy Revision 2 (September 2002)</i>
<b>Case ID No.</b> 26261		<i>PCW Revision May 19, 2005</i>
<b>Reg. Ent. Reference No.</b> RN104608732		
<b>Media [Statute]</b> Edwards Aquifer		
<b>Enf. Coordinator</b> Brent Hurta		

### Compliance History Worksheet

#### >> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Other	<i>Please Enter Yes or No</i>		
	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 0%

#### >> Repeat Violator (Subtotal 3)

No

**Adjustment Percentage (Subtotal 3)** 0%

#### >> Compliance History Person Classification (Subtotal 7)

Average Performer

**Adjustment Percentage (Subtotal 7)** 0%

#### >> Compliance History Summary

Compliance History Notes

No enhancement due to Average Performer classification.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 0%

**Screening Date** 29-Jul-2005 **Docket No.** 2005-1244-EAQ-E **PCW**  
**Respondent** Erik Howard dba Howard Ranch Subdivision *Policy Revision 2 (September 2002)*  
**Case ID No.** 26261 *PCW Revision May 19, 2005*  
**Reg. Ent. Reference No.** RN104608732  
**Media [Statute]** Edwards Aquifer  
**Enf. Coordinator** Brent Hurta  
**Violation Number**   
**Primary Rule Cite(s)**   
**Secondary Rule Cite(s)**   
**Violation Description**

**Base Penalty**

>> **Environmental, Property and Human Health Matrix**

		Harm			
Release		Major	Moderate	Minor	
OR	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> **Programmatic Matrix**

		Major	Moderate	Minor	
	Falsification	<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	Percent <input type="text" value="25%"/>

**Matrix Notes**

**Adjustment**

**Base Penalty Subtotal**

**Violation Events**

**Number of Violation Events**

mark only one use a small x	daily	<input type="text"/>
	monthly	<input checked="" type="text" value="x"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

**Violation Base Penalty**

**Economic Benefit (EB) for this violation**

**Statutory Limit Test**

**Estimated EB Amount**

**Violation Final Penalty Total**

**This violation Final Assessed Penalty (adjusted for limits)**

### Economic Benefit Worksheet

Respondent Erik Howard dba Howard Ranch Subdivision  
 Case ID No. 26261  
 Reg. Ent. Reference No. RN104608732  
 Media [Statute] Edwards Aquifer  
 Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Delayed Costs</b>							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$2,500	13-May-2005	11-Jul-2005	0.2	\$1	\$27	\$28
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs: Estimated cost of developing an Edwards Aquifer contributing zone plan from the date the violation was documented until date of compliance.

Item	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Avoided Costs</b>					
Disposal		0.0	\$0	\$0	\$0
Personnel		0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling		0.0	\$0	\$0	\$0
Supplies/equipment		0.0	\$0	\$0	\$0
Financial Assurance [2]		0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]		0.0	\$0	\$0	\$0
Other (as needed)		0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance  TOTAL

# Compliance History

Customer/Respondent/Owner-Operator: CN602834723 HOWARD, ERIK Classification: AVERAGE BY Rating: 3.01  
Regulated Entity: RN104608732 HOWARD RANCH SUBDIVISION Classification: AVERAGE BY Site Rating: 3.01  
ID Number(s): EDWARDS AQUIFER REGISTRATION 11-05050301  
Location: RM 12 & FM 150, HAYS COUNTY  
TCEQ Region: REGION 11 - AUSTIN  
Date Compliance History Prepared: July 20, 2005  
Agency Decision Requiring Compliance History: Enforcement  
Compliance Period: July 20, 2000 to July 20, 2005

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
Name: Brent Hurta Phone: 512-239-6589

## Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? No
2. Has there been a (known) change in ownership of the site during the compliance period? No
3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

6. Comments:

### Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

N/A

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1 07/11/2005 (392456)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

N/A

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
ERIK HOWARD DBA HOWARD  
RANCH SUBDIVISION  
RN104608732**

§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

**AGREED ORDER  
DOCKET NO. 2005-1244-EAQ-E**

**I. JURISDICTION AND STIPULATIONS**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Erik Howard dba Howard Ranch Subdivision ("Mr. Howard") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, represented by the Litigation Division, and Mr. Howard, appear before the Commission and together stipulate that:

1. Mr. Howard owns and operates an approximately 244-acre site on the contributing zone of the Edwards Aquifer at the intersection of Ranch-to-Market Road 12 and Farm-to-Market Road 150 in Hays County, Texas (the "Site").
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. WATER CODE ch. 26 and TCEQ rules.
3. The Commission and Mr. Howard agree that the Commission has jurisdiction to enter this Agreed Order, and that Mr. Howard is subject to the Commission's jurisdiction.
4. Mr. Howard received notice of the violations alleged in Section II ("Allegations") on or about July 16, 2005.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Mr. Howard of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of thirty six thousand dollars (\$36,000.00) is assessed by the Commission in settlement of the violations alleged in Section II

(“Allegations”). Mr. Howard has paid one thousand dollars (\$1,000.00) of the administrative penalty. The remaining amount of thirty five thousand dollars (\$35,000.00) of the administrative penalty shall be payable in 35 monthly payments of one thousand dollars (\$1,000.00) each. The next monthly payment shall be paid within 30 days after the effective date of this Agreed Order. The subsequent payments shall each be paid not later than 30 days following the due date of the previous payment until paid in full. If Mr. Howard fails to timely and satisfactorily comply with the payment requirements of this Agreed Order, including the payment schedule, the Executive Director may, at his option, accelerate the maturity of the remaining installments, in which event the unpaid balance shall become immediately due and payable without demand or notice. In addition, the failure of Mr. Howard to meet the payment schedule of this Agreed Order constitutes the failure by Mr. Howard to timely and satisfactorily comply with all of the terms of this Agreed Order.

7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and Mr. Howard have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that Mr. Howard has implemented the following corrective measures at the Site in response to this enforcement action:
  - a. On May 3, 2005, Mr. Howard submitted a Contributing Zone Plan to the Commission; and
  - b. On July 11, 2005, Mr. Howard received Commission approval of the Contributing Zone Plan.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas (“OAG”) for further enforcement proceedings if the Executive Director determines that Mr. Howard has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

Mr. Howard is alleged to have violated 30 TEX. ADMIN. CODE § 213.21(d) by failing to submit and receive approval of a contributing zone plan prior to initiating construction over the Edwards Aquifer Contributing Zone, as documented during an investigation conducted by a TCEQ Austin Regional Office investigator. Specifically, the violation was documented on May 13, 2005 and a contributing zone plan was approved on July 11, 2005.

## III. DENIALS

Mr. Howard generally denies each allegation in Section II ("Allegations").

## IV. ORDER

1. It is, therefore, ordered by the TCEQ that Mr. Howard pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Mr. Howard compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from considering or requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: Erik Howard dba Howard Ranch Subdivision, Docket No. 2005-1244-EAQ-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The provisions of this Agreed Order shall apply to and be binding upon Mr. Howard. Mr. Howard is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Site operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against Mr. Howard in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

4. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
  
5. Under 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand-delivery of the Order to Mr. Howard, or three days after the date on which the Commission mails notice of the Order to Mr. Howard, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

Erik Howard dba Howard Ranch Subdivision  
TCEQ Docket No. 2005-1244-EAQ-E  
Page 3

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

*[Handwritten Signature]*

*4/11/07*

For the Executive Director

Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, my falsification of any compliance documents may result in criminal prosecution.

*[Handwritten Signature]*  
Signature

*2/8/07*  
Date

*ERIK HOWARD*  
Name (Printed or typed)  
Authorized representative of  
Erik Howard dba Howard Ranch Subdivision

*PRESIDENT HLC LTD.*  
Title