

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.:** 2007-0215-WR-E **TCEQ ID:** RN101971125 **CASE NO.:** 32571  
**RESPONDENT NAME:** Affiliated Crown Developments, LTD.

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input checked="" type="checkbox"/> WATER RIGHTS
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Crown Oaks Subdivision, 15444 Crown Oaks Drive, Montgomery County</p> <p><b>TYPE OF OPERATION:</b> Subdivision</p> <p><b>SMALL BUSINESS:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on May 14, 2007. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> Ms. Catherine Albrecht, Enforcement Division, Enforcement Section I, MC R-12, (713) 767-3672; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896  <b>Respondent:</b> Mr. Harold L. Estes, President of Estex, Inc., 6004 South US Highway 59, Lufkin, Texas 75904  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**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 of Investigation Relating to this Case:</b>                      November 8, 2006</p> <p><b>Date of NOE Relating to this Case:</b> January 5, 2007(NOE)</p> <p><b>Background Facts:</b> This was a routine compliance investigation.</p> <p><b>WATER</b></p> <p>Failed to obtain rights to divert, store, impound, take or use water at the Site from an unnamed tributary of Lake Creek on Segment No. 1015 [30 TEX. ADMIN. CODE § 297.11 and TEX. WATER CODE §11.121].</p>	<p><b>Total Assessed:</b> \$2,235</p> <p><b>Total Deferred:</b> \$447  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$1,788</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to:</p> <p>a) Within 30 days after the effective date of this Agreed Order, submit an administratively complete permit application for the right to divert, store, impound, take or use water at the Site;</p> <p>b) Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit application within 30 days after the date of such requests or by any other deadline specified in writing;</p> <p>c) Within 75 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision Nos. a. and b.; and</p> <p>d) Within 360 days after the effective date of this Agreed Order, submit written certification to demonstrate that water rights have been obtained for Crown Lake or that the diversion, storing, impounding, taking, and/or use of state water has ceased until authorization is obtained. The certification shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance.</p>



# Penalty Calculation Worksheet (PCW)

**TCEQ**

DATES	Assigned	8-Jan-2007	Screening	23-Jan-2007	EPA Due	
	PCW	5-Mar-2007				

<b>RESPONDENT/FACILITY INFORMATION</b>			
Respondent	Affiliated Crown Developments, LTD.		
Reg. Ent. Ref. No.	RN101971125		
Facility/Site Region	12-Houston	Major/Minor Source	Minor

<b>CASE INFORMATION</b>			
Enf./Case ID No.	32571	No. of Violations	1
Docket No.	2007-0215-WR-E	Order Type	1660
Media Program(s)	Water Rights	Enf. Coordinator	Catherine Albrecht
Multi-Media		EC's Team	EnforcementTeam 1
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$5,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** Subtotal 1

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

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

**Compliance History** 24% Enhancement Subtotals 2, 3, & 7

Notes: The Respondent has one Agreed Order with denial of liability and two NOV's for other violations.

**Culpability** Yes 25% Enhancement Subtotal 4

Notes: The Respondent applied for and obtained Water Rights Permit No. 5785 for another lake in this subdivision.

**Good Faith Effort to Comply** 0% Reduction Subtotal 5

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

Notes: The Respondent does not meet the good faith criteria.

**Total EB Amounts** \$164  
**Approx. Cost of Compliance** \$2,500  
0% Enhancement\* Subtotal 6   
\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** Final Subtotal

**OTHER FACTORS AS JUSTICE MAY REQUIRE** Adjustment

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

Notes:

Final Penalty Amount

**STATUTORY LIMIT ADJUSTMENT** Final Assessed Penalty

**DEFERRAL** 20% Reduction Adjustment

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

Notes:

Deferral offered for expedited settlement.

**PAYABLE PENALTY**

Screening Date 23-Jan-2007

Docket No. 2007-0215-WR-E

PCW

Respondent Affiliated Crown Developments, LTD.

Policy Revision 2 (September 2002)

Case ID No. 32571

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN101971125

Media [Statute] Water Rights

Enf. Coordinator Catherine Albrecht

### 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 (number of NOVs meeting criteria)	0	0%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	1	20%
	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 (number of judgements or consent decrees meeting criteria)	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 (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	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 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	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) 24%

>> 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

The Respondent has one Agreed Order with denial of liability and two NOVs for other violations.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 24%

Screening Date 23-Jan-2007

Docket No. 2007-0215-WR-E

PCW

Respondent Affiliated Crown Developments, LTD.

Policy Revision 2 (September 2002)

Case ID No. 32571

PCW Revision December 8, 2006

Reg. Ent. Reference No. RN101971125

Media [Statute] Water Rights

Enf. Coordinator Catherine Albrecht

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 297.11 and Tex. Water Code § 11.121

Violation Description

Failed to obtain rights to divert, store, impound, take or use water at the Site from an unnamed tributary of Lake Creek on Segment No. 1015. Specifically, Affiliated Crown Developments, LTD. failed to obtain a water rights permit for Crown Lake when a water rights permit had been obtained for Majestic Lake within the same Crown Oaks Subdivision.

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 10%

Matrix Notes

100% of the rule was not met by not obtaining a water rights permit before constructing Crown Lake.

Adjustment \$4,500

\$500

Violation Events

Number of Violation Events 3

76 Number of violation days

mark only one with an x

daily	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$1,500

Three monthly events are recommended from the investigation date of November 8, 2006 to the screening date of January 23, 2007.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$164

Violation Final Penalty Total \$2,235

This violation Final Assessed Penalty (adjusted for limits) \$2,235

## Economic Benefit Worksheet

**Respondent:** Affiliated Crown Developments, LTD.  
**Case ID No.:** 32571  
**Reg. Ent. Reference No.:** RN101971125  
**Media:** Water Rights  
**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
<small>No commas or \$</small>							

### Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
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	\$2,500	8-Nov-2006	1-Mar-2008	1.3	\$164	n/a	\$164
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs of obtaining a water rights permit for the operation of Crown Lake. Date required is the investigation date. Final date is the projected date of compliance.

### Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

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	\$2,500	<b>TOTAL</b>	\$164
----------------------------	---------	--------------	-------

## Compliance History

Customer/Respondent/Owner-Operator: CN603052952 AFFILIATED CROWN DEVELOPMENTS, LTD. Classification: AVERAGE BY DEFAULT Rating: 3.01

Regulated Entity: RN101971125 CROWN OAKS Classification: Site Rating:

ID Number(s): AIR NEW SOURCE PERMITS ACCOUNT NUMBER MQ0698T  
 STORMWATER PERMIT TXR158397  
 WATER RIGHTS PERMIT WRPERM 5785

Location: 15444 Crown Oaks Dr., Montgomery County Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: January 19, 2007

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: January 19, 2002 to January 19, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
 Name: Catherine Albrecht Phone: (713)767-3672

### Site Compliance History Components

- |  |                                    |
|--|------------------------------------|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes                                |
| 2. Has there been a (known) change in ownership of the site during the compliance period?    | Yes                                |
| 3. If Yes, who is the current owner?   | Affiliated Crown Development, LTD. |
| 4. If Yes, who was/were the prior owner(s)?  | Crown Oaks, L.L.P.                 |
| 5. When did the change(s) in ownership occur?  | 08/11/2003                         |

#### Components (Multimedia) for the Site :

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

Effective Date: 08/07/2005 ADMINORDER 2004-1045-WQ-E  
 Classification: Moderate  
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
 Rqmt Prov: Part III, Section F.7. PERMIT  
 Description: Failed to maintain all erosion and sediment control measures and other protective measures identified in the Storm Water Pollution Prevention Plant (SWP3) in effective operating condition.

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 06/23/2004 (275028)
- 2 02/12/2002 (108581)
- 3 03/27/2002 (108582)
- 4 01/05/2007 (535747)
- 5 03/27/2002 (89640)
- 6 02/12/2002 (89639)
- 7 12/15/2003 (255721)

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

Date: 12/15/2003 (255721)  
 Self Report? NO Classification: Moderate  
 Rqmt Prov: PERMIT IA  
 Description: Failure to include a description of the intended schedule/sequence of construction activities in the Storm Water Pollution Prevention Plans (SWPPP) for sections 3 and 4.  
 Self Report? NO Classification: Moderate  
 Rqmt Prov: PERMIT IA  
 Description: Failure to include all structural controls and equipment storage areas on the site map.  
 Self Report? NO Classification: Moderate  
 Rqmt Prov: ORDER IA  
 Description: Failure to properly select and maintain control structures.  
 Self Report? NO Classification: Moderate  
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
 Rqmt Prov: PERMIT EA  
 Description: Failed to maintain all erosion and sediment control measures and other protective measures identified in the Storm Water Pollution Prevention Plant (SWP3) in effective operating condition.

Date: 12/12/2003 (257059)

Self Report? NO

Classification: Major

Citation: 30 TAC Chapter 281, SubChapter A 281.25(a)(4)

Description: Failure to obtain a Texas Pollutant Discharge Elimination System (TPDES) construction storm water permit when a construction storm water permit is required.

Self Report? NO Classification: Major

Citation: TWC Chapter 26 26.121(a)(1)

Description: Failure to prevent the unauthorized discharge of sediment due to the failure to properly maintain the storm water controls and stabilize completed structures.

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  
AFFILIATED CROWN  
DEVELOPMENTS, LTD.  
RN101971125

§  
§  
§  
§  
§  
§

BEFORE THE  
  
TEXAS COMMISSION ON  
  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2007-0215-WR-E

I. JURISDICTION AND STIPULATIONS

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Affiliated Crown Developments, LTD. ("Affiliated Crown") under the authority of TEX. WATER CODE ch. 11. The Executive Director of the TCEQ, through the Enforcement Division, and Affiliated Crown appear before the Commission and together stipulate that:

1. Affiliated Crown owns and operates Crown Lake in the Crown Oaks Subdivision at 15444 Crown Oaks Drive in Montgomery County, Texas (the "Site").
2. Affiliated Crown's Site adjoins, is contiguous with or surrounds state water as defined in TEX. WATER CODE § 11.021 and 30 TEX. ADMIN. CODE § 297.1(46).
3. The Commission and Affiliated Crown agree that the Commission has jurisdiction to enter this Agreed Order, and that Affiliated Crown is subject to the Commission's jurisdiction.
4. Affiliated Crown received notice of the violations alleged in Section II ("Allegations") on or about January 10, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Affiliated Crown of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Two Thousand Two Hundred Thirty-Five Dollars (\$2,235) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Affiliated Crown has paid One Thousand Seven Hundred Eighty-Eight Dollars



(\$1,788) of the administrative penalty and Four Hundred Forty-Seven Dollars (\$447) is deferred contingent upon Affiliated Crown's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Affiliated Crown fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Affiliated Crown to pay all or part of the deferred penalty.

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 Affiliated Crown have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. 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 Affiliated Crown has not complied with one or more of the terms or conditions in this Agreed Order.
10. 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.
11. 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**

As owner and operator of the Site, Affiliated Crown is alleged to have failed to obtain rights to divert, store, impound, take or use water at the Site from an unnamed tributary of Lake Creek on Segment No. 1015, in violation of 30 TEX. ADMIN. CODE § 297.11 and TEX. WATER CODE § 11.121, as documented during an investigation conducted on November 8, 2006.

## **III. DENIALS**

Affiliated Crown generally denies each allegation in Section II ("Allegations").

## **IV. ORDERING PROVISIONS**

1. It is, therefore, ordered by the TCEQ that Affiliated Crown pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Affiliated Crown's 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 requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Affiliated Crown Developments, LTD., Docket No. 2007-0215-WR-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. It is further ordered that Affiliated Crown shall undertake the following technical requirements:
- a. Within 30 days after the effective date of this Agreed Order, submit an administratively complete permit application for the right to divert, store, impound, take or use water at the Site, as required by 30 TEX. ADMIN. CODE ch. 297 to:  

Water Rights Permitting and Availability Section, MC 160  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087
  - b. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit application within 30 days after the date of such requests or by any other deadline specified in writing.
  - c. Within 75 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision Nos. 2.a. and 2.b., as described in Ordering Provision No. 2.d. below.
  - d. Within 360 days after the effective date of this Agreed Order, submit written certification to demonstrate that water rights has been obtained for Crown Lake or that the diversion, storing, impounding, taking, and/or use of state water has ceased until authorization is obtained. The certification shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance, be notarized by a State of Texas Notary Public and include the following certification language:

The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:



Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Water Section, Manager  
Houston Regional Office  
Texas Commission on Environmental Quality  
5425 Polk Avenue, Suite H  
Houston, Texas 77023-1486

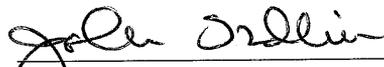
3. The provisions of this Agreed Order shall apply to and be binding upon Affiliated Crown. Affiliated Crown is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Site operations referenced in this Agreed Order.
4. If Affiliated Crown fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Affiliated Crown's failure to comply is not a violation of this Agreed Order. Affiliated Crown shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Affiliated Crown shall notify the Executive Director within seven days after Affiliated Crown becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Affiliated Crown shall be made in writing to the Executive Director. Extensions are not effective until Affiliated Crown receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against Affiliated Crown 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.
7. 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.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Affiliated Crown, or three days after the date on which the Commission mails notice of the Order to Affiliated Crown, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.



## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
\_\_\_\_\_  
For the Executive Director

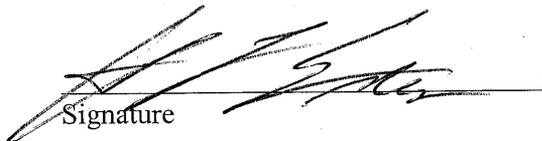
7/17/07  
Date

I, the undersigned, have read and understand the attached Agreed Order. 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, any falsification of any compliance documents may result in criminal prosecution.

  
Signature

Mar 9, 2007  
Date

Harold L Estes  
Name (Printed or typed)  
Authorized Representative of  
Affiliated Crown Developments, LTD.

President of Estey Inc.  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

