

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.:** 2009-0705-SLG-E **TCEQ ID:** RN105233225 **CASE NO.:** 37618

**RESPONDENT NAME:** Stallion Oilfield Services 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"/> IMMEDIATE 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 checked="" 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 type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Stallion Oilfield Services, 106 County Road 1180, Alvord, Wise County</p> <p><b>TYPE OF OPERATION:</b> Sludge transporter service</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 October 12, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732  <b>TCEQ Enforcement Coordinator:</b> Mr. Harvey Wilson, Enforcement Division, Enforcement Team 3, MC 149, (512) 239-0321; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387  <b>Respondent:</b> Mr. Tim Garrett, Operations Manager, Stallion Oilfield Services Ltd., 950 Corbindale Road, Suite 300, Houston, Texas 77024                      Mr. Robert J. Ryan, Assistant Secretary, Stallion Oilfield Services Ltd., 950 Corbindale Road, Suite 300, Houston, Texas 77024  <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 type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" 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> March 10 and May 21, 2009</p> <p><b>Date of NOV/NOE Relating to this Case:</b> May 8, 2009 (NOE)</p> <p><b>Background Facts:</b> These were record reviews.</p> <p><b>WATER</b></p> <p>1) Failure to maintain a copy of the registration at the designated place of business and in each vehicle [30 TEX. ADMIN. CODE § 312.142(c)].</p> <p>2) Failure to amend the sludge transporter registration [30 TEX. ADMIN. CODE § 312.142].</p> <p>3) Failure to display the TCEQ registration number and facility telephone number on each of the trucks [30 TEX. ADMIN. CODE § 312.144(a)].</p> <p>4) Failure to meet the alkali addition/pH requirements for domestic septage disposed at a beneficial use site [30 TEX. ADMIN. CODE § 312.82(c)(2)].</p> <p>5) Failure to maintain trip tickets with the required information [30 TEX. ADMIN. CODE § 312.145].</p> <p>6) Failure to pay the general stormwater permit fee for fiscal year 2009 and associated late fees for TCEQ Financial Account No. 20028848 [30 TEX. ADMIN. CODE § 205.6].</p>	<p><b>Total Assessed:</b> \$7,360</p> <p><b>Total Deferred:</b> \$1,472  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$2,944</p> <p><b>Total Paid to General Revenue:</b> \$2,944</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" 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>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility:</p> <p>a. As of March 16, 2009, copies of the registration are maintained in all trucks and in the Facility's office files;</p> <p>b. As of April 1, 2009, all loads to beneficial use sites are being tested for pH and lime is being added when necessary;</p> <p>c. As of March 16, 2009, all truck drivers have been trained to correctly complete trip tickets;</p> <p>d. On April 30, 2009, an amended application was submitted to correct truck information and to add the City of Cleburne as a disposal site in the registration information; and</p> <p>e. As of March 16, 2009, the telephone number and registration number of the Facility are being displayed on the trucks.</p> <p><b>Ordering Provisions:</b></p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to, within 30 days after the effective date of this Agreed Order, pay all outstanding fees, including any associated penalties and interest.</p>

Additional ID No(s): 23464

**Attachment A**  
**Docket Number: 2009-0705-SLG-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Stallion Oilfield Services Ltd.</b>
<b>Payable Penalty Amount:</b>	<b>Five Thousand Eight Hundred Eighty-Eight Dollars (\$5,888)</b>
<b>SEP Amount:</b>	<b>Two Thousand Nine Hundred Forty-Four Dollars (\$2,944)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Texas Association of Resource Conservation and Development Areas, Inc. ("RC&amp;D")- Unauthorized Trash Dump Clean-Up</b>
<b>Location of SEP:</b>	<b>Wise County</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to coordinate with city and/or county governmental officials regarding the clean up of sites where trash has been disposed of illegally. Eligible sites will be limited to those where a responsible party can not be identified and where there is no pre-existing obligation to clean up the site by the owner or the government. Additionally, reasonable efforts must have already been taken to prevent the dumping. SEP monies will be used to pay for the direct cost of collection and disposal of debris. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by helping rid communities of the dangers and health threats associated with non-regulated trash dumps which contaminate air and water, and harbor disease carrying animals and insects.



Stallion Oilfield Services Ltd.  
Agreed Order – Attachment A

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.  
1716 Briarcrest Drive, Suite 510  
Bryan, Texas 77802-2700

**3. Records and Reporting**

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.



**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.





Policy Revision 2 (September 2002)

## Penalty Calculation Worksheet (PCW)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	11-May-2009	Screening	13-May-2009	EPA Due	
	PCW	14-May-2009				

<b>RESPONDENT/FACILITY INFORMATION</b>	
Respondent	Stallion Oilfield Services Ltd.
Reg. Ent. Ref. No.	RN105233225
Facility/Site Region	4-Dallas/Fort Worth
Major/Minor Source	Minor

<b>CASE INFORMATION</b>			
Enf./Case ID No.	37618	No. of Violations	6
Docket No.	2009-0705-SLG-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Harvey Wilson
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

## 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**  Enhancement Subtotals 2, 3, & 7

Notes

**Culpability**   Enhancement Subtotal 4

Notes

**Good Faith Effort to Comply Total Adjustments** Subtotal 5

**Economic Benefit**  Enhancement\* Subtotal 6

Total EB Amounts	\$6
Approx. Cost of Compliance	\$1,700

\*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.

Notes 

**Final Penalty Amount**

**STATUTORY LIMIT ADJUSTMENT** Final Assessed Penalty

**DEFERRAL**  Reduction Adjustment

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

Notes 

**PAYABLE PENALTY**

**Screening Date** 13-May-2009

**Docket No.** 2009-0705-SLG-E

**PCW**

**Respondent** Stallion Oilfield Services Ltd.

*Policy Revision 2 (September 2002)*

**Case ID No.** 37618

*PCW Revision October 30, 2008*

**Reg. Ent. Reference No.** RN105233225

**Media [Statute]** Water Quality

**Enf. Coordinator** Harvey Wilson

**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)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	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 (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%
<i>Please Enter Yes or No</i>			
Other	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)** 5%

>> **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**

An enhancement is recommended because the Respondent received a NOV for the same or a similar violation within the past five years.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 5%

**Screening Date** 13-May-2009 **Docket No.** 2009-0705-SLG-E **PCW**  
**Respondent** Stallion Oilfield Services Ltd. *Policy Revision 2 (September 2002)*  
**Case ID No.** 37618 *PCW Revision October 30, 2008*  
**Reg. Ent. Reference No.** RN105233225  
**Media [Statute]** Water Quality  
**Enf. Coordinator** Harvey Wilson  
**Violation Number** 1  
**Rule Cite(s)** 30 Tex. Admin. Code § 312.142(c)  
**Violation Description** Failed to maintain a copy of the registration at the designated place of business and in each vehicle.  
**Base Penalty** \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual				0%	
Potential					

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
		X		10%	

100% of the rule requirement was not met.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 4 6 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
single event	X	

Violation Base Penalty \$4,000

Four single events are recommended, one for the business office and one for each of three trucks.

Good Faith Efforts to Comply

	25.0% Reduction	\$1,000
	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes The Respondent came into compliance on March 16, 2009.

Violation Subtotal \$3,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$3,200

This violation Final Assessed Penalty (adjusted for limits) \$3,200

## Economic Benefit Worksheet

**Respondent** Stallion Oilfield Services Ltd.  
**Case ID No.** 37618  
**Reg. Ent. Reference No.** RN105233225  
**Media** Water Quality  
**Violation No.** 1

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Item Description: No commas or \$

**Delayed Costs**

	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$100	10-Mar-2009	16-Mar-2009	0.02	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The estimated annual cost of maintaining the registration in each truck and at the office. Date Required is the date the violation was documented. Final Date is the date of compliance.

**Avoided Costs**

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

	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

TOTAL

\$0

<b>Screening Date</b> 13-May-2009	<b>Docket No.</b> 2009-0705-SLG-E	<b>PCW</b>	
<b>Respondent</b> Stallion Oilfield Services Ltd.	<small>Policy Revision 2 (September 2002)</small>		
<b>Case ID No.</b> 37618	<small>PCW Revision October 30, 2008</small>		
<b>Reg. Ent. Reference No.</b> RN105233225			
<b>Media [Statute]</b> Water Quality			
<b>Enf. Coordinator</b> Harvey Wilson			
<b>Violation Number</b> 2			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 312.142		
<b>Violation Description</b>	Failed to amend the sludge transporter registration. Specifically, the registration information did not include all of the trucks and their current license plate numbers, did not include the City of Cleburne as a disposal facility, and did not provide the proper permit number for the City of Grandview.		
<b>Base Penalty</b>		\$10,000	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>			
<b>Harm</b>			
Release	Major	Moderate	Minor
Actual	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Potential	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Percent</b>		0%	
<b>&gt;&gt; Programmatic Matrix</b>			
Falsification	Major	Moderate	Minor
<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>
<b>Percent</b>		10%	
<b>Matrix Notes</b>	100% of the rule requirement was not met.		
<b>Adjustment</b>		\$9,000	
		\$1,000	
<b>Violation Events</b>			
Number of Violation Events <input type="text" value="1"/>		Number of violation days <input type="text" value="51"/>	
mark only one with an x	daily	<input type="checkbox"/>	<b>Violation Base Penalty</b> <input type="text" value="\$1,000"/>
	weekly	<input type="checkbox"/>	
	monthly	<input type="checkbox"/>	
	quarterly	<input type="checkbox"/>	
	semiannual	<input type="checkbox"/>	
	annual	<input type="checkbox"/>	
	single event	x	
One single event is recommended..			
<b>Good Faith Efforts to Comply</b>			
		<b>25.0% Reduction</b>	<input type="text" value="\$250"/>
		<small>Before NOV    NOV to EDRP/Settlement Offer</small>	
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>	
Ordinary	x	<input type="checkbox"/>	
N/A	<input type="checkbox"/>	<small>(mark with x)</small>	
<b>Notes</b>	The Respondent came into compliance on April 30, 2009.		
<b>Violation Subtotal</b>		\$750	
<b>Economic Benefit (EB) for this violation</b>			
<b>Estimated EB Amount</b>		<input type="text" value="\$3"/>	
<b>Statutory Limit Test</b>			
<b>Violation Final Penalty Total</b>		<input type="text" value="\$800"/>	
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		<input type="text" value="\$800"/>	

## Economic Benefit Worksheet

**Respondent** Stallion Oilfield Services Ltd.  
**Case ID No.** 37618  
**Reg. Ent. Reference No.** RN105233225  
**Media** Water Quality  
**Violation No.** 2

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							
<b>Delayed Costs</b>							
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$500	10-Mar-2009	30-Apr-2009	0.14	\$3	n/a	\$3
Other (as needed)				0.00	\$0	n/a	\$0

**Notes for DELAYED costs** The estimated cost of amending the sludge registration. Date Required is the date the violation was documented. Final Date is the date of compliance.

Item Description	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)</b>				
Disposal	0.00	\$0	\$0	\$0
Personnel	0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling	0.00	\$0	\$0	\$0
Supplies/equipment	0.00	\$0	\$0	\$0
Financial Assurance [2]	0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	0.00	\$0	\$0	\$0
Other (as needed)	0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

Approx. Cost of Compliance TOTAL

\$500	\$3
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<b>Screening Date</b> 13-May-2009	<b>Docket No.</b> 2009-0705-SLG-E	<b>PCW</b>	
<b>Respondent</b> Stallion Oilfield Services Ltd.	<small>Policy Revision 2 (September 2002)</small>		
<b>Case ID No.</b> 37818	<small>PCW Revision October 30, 2008</small>		
<b>Reg. Ent. Reference No.</b> RN105233225			
<b>Media [Statute]</b> Water Quality			
<b>Enf. Coordinator</b> Harvey Wilson			
<b>Violation Number</b> 3			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 312.144(a)		
<b>Violation Description</b>	Failed to display the TCEQ registration number and facility telephone number on each of the trucks.		
<b>Base Penalty</b>		\$10,000	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>			
<b>OR</b>	<b>Harm</b>		
	Major	Moderate	Minor
<b>Release</b>			
<b>Actual</b>			
<b>Potential</b>			
			<b>Percent</b> 0%
<b>&gt;&gt; Programmatic Matrix</b>			
	Major	Moderate	Minor
<b>Falsification</b>		x	
			<b>Percent</b> 5%
<b>Matrix Notes</b>	50% of the rule requirement was not met.		
<b>Adjustment</b>		\$9,500	
		\$500	
<b>Violation Events</b>			
<b>Number of Violation Events</b>	3	<b>Number of violation days</b>	6
<small>mark only one with an x</small>	daily		
	weekly		
	monthly		
	quarterly		
	semiannual		
	annual		
	single event	x	
			<b>Violation Base Penalty</b> \$1,500
Three single events are recommended, one per truck.			
<b>Good Faith Efforts to Comply</b>		<b>25.0% Reduction</b> \$375	
	Before NOV	NOV to EDCRP/Settlement Offer	
<b>Extraordinary</b>			
<b>Ordinary</b>	x		
<b>N/A</b>		(mark with x)	
<b>Notes</b>	The Respondent came into compliance on March 16, 2009.		
<b>Violation Subtotal</b>		\$1,125	
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>	
<b>Estimated EB Amount</b>	\$0	<b>Violation Final Penalty Total</b>	\$1,200
		<b>This violation Final Assessed Penalty (adjusted for limits)</b> \$1,200	

### Economic Benefit Worksheet

**Respondent** Stallion Oilfield Services Ltd.  
**Case ID No.** 37818  
**Reg. Ent. Reference No.** RN105233225  
**Media** Water Quality  
**Violation No.** 3

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

**Item Cost**    **Date Required**    **Final Date**    **Yrs**    **Interest Saved**    **Onetime Costs**    **EB Amount**  
 Item Description    No commas or \$

**Delayed Costs**

Equipment			0.00	\$0	\$0	\$0	
Buildings			0.00	\$0	\$0	\$0	
Other (as needed)			0.00	\$0	\$0	\$0	
Engineering/construction			0.00	\$0	\$0	\$0	
Land			0.00	\$0	n/a	\$0	
Record Keeping System			0.00	\$0	n/a	\$0	
Training/Sampling			0.00	\$0	n/a	\$0	
Remediation/Disposal			0.00	\$0	n/a	\$0	
Permit Costs			0.00	\$0	n/a	\$0	
Other (as needed)	\$500	10-Mar-2009	16-Mar-2009	0.02	\$0	n/a	\$0

Notes for DELAYED costs

The estimated cost of providing the registration number and facility telephone number of each truck. Date Required is the date the violation was documented. Final Date is the date of compliance.

**Avoided Costs**

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

Disposal			0.00	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0
Supplies/equipment			0.00	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance    **\$500**

**TOTAL**    **\$0**

<b>Screening Date</b> 13-May-2009	<b>Docket No.</b> 2009-0705-SLG-E	<b>PCW</b>
<b>Respondent</b> Stallion Oilfield Services Ltd.	<small>Policy Revision 2 (September 2002)</small>	
<b>Case ID No.</b> 37618	<small>PCW Revision October 30, 2008</small>	
<b>Reg. Ent. Reference No.</b> RN105233225		
<b>Media [Statute]</b> Water Quality		
<b>Enf. Coordinator</b> Harvey Willson		
<b>Violation Number</b> <input type="text" value="4"/>		
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 312.82(c)(2)	
<b>Violation Description</b>	Failed to meet the alkali addition/pH requirements for domestic septage disposed at a beneficial use site. Specifically, the Respondent was not providing any type of pathogen and/or vector reduction for the domestic septage that was disposed of at the beneficial use sites.	
<b>Base Penalty</b>		<input type="text" value="\$10,000"/>
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>		
<b>OR</b>	<b>Harm</b>	
	Major      Moderate      Minor	
<b>Release</b>	Major      Moderate      Minor	
<b>Actual</b>	<input type="text"/> <input checked="" type="text"/> <input type="text"/>	<b>Percent</b> <input type="text" value="25%"/>
<b>Potential</b>	<input type="text"/> <input type="text"/> <input type="text"/>	
<b>&gt;&gt; Programmatic Matrix</b>		
	Falsification      Major      Moderate      Minor	
	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>
<b>Matrix Notes</b>	Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.	
<b>Adjustment</b>		<input type="text" value="\$7,500"/>
		<input type="text" value="\$2,500"/>
<b>Violation Events</b>		
<b>Number of Violation Events</b>	<input type="text" value="1"/>	<input type="text" value="22"/> <b>Number of violation days</b>
<small>mark only one with an x</small>	daily	<input type="text"/>
	weekly	<input type="text"/>
	monthly	<input checked="" type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>
<b>Violation Base Penalty</b>		<input type="text" value="\$2,500"/>
One monthly event is recommended from the inspection date of March 10, 2009, until the April 1, 2009, date of compliance.		
<b>Good Faith Efforts to Comply</b>		
	<input type="text" value="25.0%"/> <b>Reduction</b>	<input type="text" value="\$625"/>
	<small>Before NOV      NOV to EDPRP/Settlement Offer</small>	
<b>Extraordinary</b>	<input type="text"/> <input type="text"/>	
<b>Ordinary</b>	<input checked="" type="text"/> <input type="text"/>	
<b>N/A</b>	<input type="text"/> <small>(mark with x)</small>	
<b>Notes</b>	The Respondent came into compliance on April 1, 2009.	
<b>Violation Subtotal</b>		<input type="text" value="\$1,875"/>
<b>Economic Benefit (EB) for this violation</b>		
<b>Estimated EB Amount</b>		<input type="text" value="\$2"/>
<b>Statutory Limit Test</b>		
<b>Violation Final Penalty Total</b>		<input type="text" value="\$2,000"/>
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		<input type="text" value="\$2,000"/>

## Economic Benefit Worksheet

**Respondent** Stallion Oilfield Services Ltd.  
**Case ID No.** 37618  
**Reg. Ent. Reference No.** RN105233225  
**Media** Water Quality  
**Violation No.** 4

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				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	10-Mar-2009	1-Apr-2009	0.06	\$2	n/a	\$2

**Notes for DELAYED costs**  
 The estimated additional cost of meeting the pH requirements for domestic septage disposed at a beneficial use site by adding lime when necessary and utilizing a pH tester with each load. Date Required is the date the violation was documented. Final Date is the date of compliance.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

Approx. Cost of Compliance \$500 TOTAL \$2

<b>Screening Date</b> 13-May-2009	<b>Docket No.</b> 2009-0705-SLG-E	<b>PCW</b>	
<b>Respondent</b> Stallion Oilfield Services Ltd.	<small>Policy Revision 2 (September 2002)</small>		
<b>Case ID No.</b> 37618	<small>PCW Revision October 30, 2008</small>		
<b>Reg. Ent. Reference No.</b> RN105233225			
<b>Media [Statute]</b> Water Quality			
<b>Enf. Coordinator</b> Harvey Wilson			
<b>Violation Number</b> 5			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 312.145		
<b>Violation Description</b>	Failed to maintain trip tickets with the required information. Specifically, one ticket did not have the name, address, TCEQ Permit Number, and telephone number of the receiving facility, and a second ticket did not have the transporter's TCEQ Registration Number.		
<b>Base Penalty</b>		\$10,000	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>			
<b>Harm</b>			
Release	Major	Moderate	Minor
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>OR</b>			<b>Percent</b> <input type="text" value="0%"/>
<b>&gt;&gt; Programmatic Matrix</b>			
<b>Falsification</b>			
Major	Moderate	Minor	
<input type="text"/>	<input type="text"/>	<input checked="" type="text" value="x"/>	<b>Percent</b> <input type="text" value="1%"/>
<b>Matrix Notes</b>	Less than 30% of the rule requirement was not met.		
<b>Adjustment</b>		\$9,900	
		\$100	
<b>Violation Events</b>			
<b>Number of Violation Events</b>	<input type="text" value="2"/>	<input type="text" value="6"/>	<b>Number of violation days</b>
<small>mark only one with an x</small>	daily	<input type="text"/>	
	weekly	<input type="text"/>	
	monthly	<input type="text"/>	
	quarterly	<input type="text"/>	
	semiannual	<input type="text"/>	
	annual	<input type="text"/>	
	single event	<input checked="" type="text" value="x"/>	
<b>Violation Base Penalty</b>		\$200	
Two single events are recommended.			
<b>Good Faith Efforts to Comply</b>			\$50
<b>25.0% Reduction</b>			
<small>Before NOV      NOV to EDPRP/Settlement Offer</small>			
Extraordinary	<input type="text"/>	<input type="text"/>	
Ordinary	<input checked="" type="text" value="x"/>	<input type="text"/>	
N/A	<small>(mark with x)</small>		
<b>Notes</b>	The Respondent came into compliance on March 16, 2009.		
<b>Violation Subtotal</b>		\$150	
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>	
<b>Estimated EB Amount</b>	<input type="text" value="\$0"/>	<b>Violation Final Penalty Total</b>	\$160
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$160	

## Economic Benefit Worksheet

**Respondent** Stallion Oilfield Services Ltd.  
**Case ID No.** 37618  
**Reg. Ent. Reference No.** RN105233225  
**Media** Water Quality  
**Violation No.** 5

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Delayed Costs</b>							
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$100	10-Mar-2009	16-Mar-2009	0.02	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

**Notes for DELAYED costs**  
 The estimated cost of maintaining trip tickets with the required information by conducting training and providing additional oversight. Date Required is the date the violation was documented. Final Date is the date of compliance.

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Avoided Costs</b>							
<b>ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)</b>							
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

Approx. Cost of Compliance \$100 TOTAL \$0

<b>Screening Date</b> 13-May-2009	<b>Docket No.</b> 2009-0705-SLG-E																			
<b>Respondent</b> Stallion Oilfield Services Ltd.	<b>PCW</b> <small>Policy Revision 2 (September 2002) PCW Revision October 30, 2008</small>																			
<b>Case ID No.</b> 37618																				
<b>Reg. Ent. Reference No.</b> RN105233225																				
<b>Media [Statute]</b> Water Quality																				
<b>Enf. Coordinator</b> Harvey Willson																				
<b>Violation Number</b> <input type="text" value="6"/>																				
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 205.6																			
<b>Violation Description</b>	Failed to pay general stormwater permit fee for fiscal year 2009 and associated late fees for TCEQ Financial Account No. 20028848.																			
<b>Base Penalty</b>	\$10,000																			
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>																				
<b>OR</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td></td> <td colspan="3" style="text-align: center;"><b>Harm</b></td> <td></td> </tr> <tr> <td><b>Release</b></td> <td style="text-align: center;">Major</td> <td style="text-align: center;">Moderate</td> <td style="text-align: center;">Minor</td> <td></td> </tr> <tr> <td><b>Actual</b></td> <td style="border: 1px solid black; width: 40px; height: 15px;"></td> <td style="border: 1px solid black; width: 40px; height: 15px;"></td> <td style="border: 1px solid black; width: 40px; height: 15px;"></td> <td rowspan="2" style="text-align: right;"><b>Percent</b> <input type="text" value="0%"/></td> </tr> <tr> <td><b>Potential</b></td> <td style="border: 1px solid black; width: 40px; height: 15px;"></td> <td style="border: 1px solid black; width: 40px; height: 15px;"></td> <td style="border: 1px solid black; width: 40px; height: 15px;"></td> </tr> </table>		<b>Harm</b>				<b>Release</b>	Major	Moderate	Minor		<b>Actual</b>				<b>Percent</b> <input type="text" value="0%"/>	<b>Potential</b>			
	<b>Harm</b>																			
<b>Release</b>	Major	Moderate	Minor																	
<b>Actual</b>				<b>Percent</b> <input type="text" value="0%"/>																
<b>Potential</b>																				
<b>&gt;&gt; Programmatic Matrix</b>																				
	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: center;">Major</td> <td style="text-align: center;">Moderate</td> <td style="text-align: center;">Minor</td> <td></td> </tr> <tr> <td><b>Falsification</b></td> <td style="border: 1px solid black; width: 40px; height: 15px;"></td> <td style="border: 1px solid black; width: 40px; height: 15px;"></td> <td style="border: 1px solid black; width: 40px; height: 15px;"></td> <td rowspan="2" style="text-align: right;"><b>Percent</b> <input type="text" value="0%"/></td> </tr> <tr> <td><b>Matrix Notes</b></td> <td colspan="3" style="border: 1px solid black; height: 30px;"></td> </tr> </table>		Major	Moderate	Minor		<b>Falsification</b>				<b>Percent</b> <input type="text" value="0%"/>	<b>Matrix Notes</b>								
	Major	Moderate	Minor																	
<b>Falsification</b>				<b>Percent</b> <input type="text" value="0%"/>																
<b>Matrix Notes</b>																				
<b>Adjustment</b>	\$10,000																			
	\$0																			
<b>Violation Events</b>																				
<b>Number of Violation Events</b>																				
	<b>Number of violation days</b>																			
<b>Violation Base Penalty</b>	\$0																			
<b>Good Faith Efforts to Comply</b>	0.0% Reduction																			
	<small>Before NOV      NOV to EDPRP/Settlement Offer</small>																			
<b>Violation Subtotal</b>	\$0																			
<b>Economic Benefit (EB) for this violation</b>																				
<b>Estimated EB Amount</b>	\$0																			
<b>Statutory Limit Test</b>																				
<b>Violation Final Penalty Total</b>	\$0																			
<b>This violation Final Assessed Penalty (adjusted for limits)</b>																				
\$0																				

## Economic Benefit Worksheet

**Respondent** Stallion Oilfield Services Ltd.  
**Case ID No.** 37618  
**Reg. Ent. Reference No.** RN105233225  
**Media** Water Quality  
**Violation No.** 6

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				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$0

TOTAL \$0

# Compliance History Report

Customer/Respondent/Owner-Operator:	CN603195363	Stallion Oilfield Services Ltd.	Classification: AVERAGE	Rating: 2.67
Regulated Entity:	RN105233225	STALLION OILFIELD SERVICES	Classification: AVERAGE	Site Rating: 0.50
ID Number(s):	SLUDGE	REGISTRATION		23464
Location:	106 County Road 1180, Alvord, Wise County, Texas			
TCEQ Region:	REGION 12 - HOUSTON			
Date Compliance History Prepared:	May 13, 2009			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	May 13, 2004 to May 13, 2009			

**TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History**

Name: Harvey Wilson Phone: 239 - 0321

### 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/operator of the site during the compliance period? No
3. If Yes, who is the current owner/operator? N/A
4. If Yes, who was/were the prior owner(s)/operator(s) ? N/A
5. When did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2008 Repeat Violator: NO

**Components<sup>(Multimedia)</sup> 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 | 07/25/2007 | (568030) |
| 2 | 11/30/2007 | (571152) |
| 3 | 06/03/2008 | (657118) |

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

Date: 07/25/2007 (568030) CN603195363

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 312, SubChapter G 312.144(a)

Description: Failure to prominently mark sludge transporter with company telephone

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 312, SubChapter G 312.144(f)

Description: Failure to prominently mark all discharge valves and ports.

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  
STALLION OILFIELD SERVICES LTD.  
RN105233225**

§  
§  
§  
§  
§

**BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2009-0705-SLG-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 Stallion Oilfield Services Ltd. ("the Respondent") under the authority of TEX. WATER CODE chs. 5, 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a sludge transporter service located at 106 County Road 1180, Alvord, Wise County, Texas (the "Facility").
2. The Respondent has caused, suffered, allowed or permitted the discharge of any waste or the performance of any activity in violation of TEX. WATER CODE ch. 26 or any rule, permit, or order of the Commission.
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about May 13, 2009.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Seven Thousand Three Hundred Sixty Dollars (\$7,360) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Two Thousand Nine Hundred Forty-Four Dollars

(\$2,944) of the administrative penalty and One Thousand Four Hundred Seventy-Two Dollars (\$1,472) is deferred contingent upon the Respondent'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 the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Two Thousand Nine Hundred Forty-Four Dollars (\$2,944) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

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 the Respondent 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 the Respondent has implemented the following corrective measures at the Facility:
  - a. As of March 16, 2009, copies of the registration are maintained in all trucks and in the Facility's office files;
  - b. As of April 1, 2009, all loads to beneficial use sites are being tested for pH and lime is being added when necessary;
  - c. As of March 16, 2009, all truck drivers have been trained to correctly complete trip tickets;
  - d. On April 30, 2009, an amended application was submitted to correct truck information and to add the City of Cleburne as a disposal site in the registration information; and
  - e. As of March 16, 2009, the telephone number and registration number of the Facility are being displayed on the trucks.
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 the Respondent 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

As owner and operator of the Facility, the Respondent is alleged to have:

1. Failed to maintain a copy of the registration at the designated place of business and in each vehicle, in violation of 30 TEX. ADMIN. CODE § 312.142(c), as documented during a record review conducted on March 10, 2009.
2. Failed to amend the sludge transporter registration, in violation of 30 TEX. ADMIN. CODE § 312.142, as documented during a record review conducted on March 10, 2009.
3. Failed to display the TCEQ registration number and facility telephone number on each of the trucks, in violation of 30 TEX. ADMIN. CODE § 312.144(a), as documented during a record review conducted on March 10, 2009.
4. Failed to meet the alkali addition/pH requirements for domestic septage disposed at a beneficial use site, in violation of 30 TEX. ADMIN. CODE § 312.82(c)(2), as documented during a record review conducted on March 10, 2009.
5. Failed to maintain trip tickets with the required information, in violation of 30 TEX. ADMIN. CODE § 312.145, as documented during a record review conducted on March 10, 2009.
6. Failed to pay the general stormwater permit fee for fiscal year 2009 and associated late fees for TCEQ Financial Account No. 20028848, in violation of 30 TEX. ADMIN. CODE § 205.6, as documented during a record review conducted on May 21, 2009.

### III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

### IV. ORDERING PROVISIONS

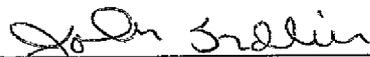
1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations 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: Stallion Oilfield Services Ltd., Docket No. 2009-0705-SLG-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 Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Two Thousand Nine Hundred Forty-Four Dollars (\$2,944) shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. It is further ordered that, within 30 days after the effective date of this Agreed Order, the Respondent shall pay all outstanding fees, including any associated penalties and interest, with the notation "Stallion Oilfield Services, Ltd., TCEQ Financial Account No. 20028848" to the address in Paragraph 1 of this section.
4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent.
5. If the Respondent 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, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. 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 the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent 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.
8. This Agreed Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Order may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes under this Agreed Order.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, 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

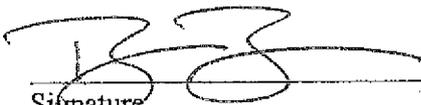
9/18/09  
Date

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

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- 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;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

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

  
\_\_\_\_\_  
Signature

7/31/09  
Date

ROBERT J. RYAN  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
Stallion Oilfield Services Ltd.

ROBERT J. RYAN  
\_\_\_\_\_  
Title ASSISTANT SECRETARY

**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.



**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Stallion Oilfield Services Ltd.</b>
<b>Payable Penalty Amount:</b>	<b>Five Thousand Eight Hundred Eighty-Eight Dollars (\$5,888)</b>
<b>SEP Amount:</b>	<b>Two Thousand Nine Hundred Forty-Four Dollars (\$2,944)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Texas Association of Resource Conservation and Development Areas, Inc. ("RC&amp;D")- Unauthorized Trash Dump Clean-Up</b>
<b>Location of SEP:</b>	<b>Wise County</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

A. Project

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to coordinate with city and/or county governmental officials regarding the clean up of sites where trash has been disposed of illegally. Eligible sites will be limited to those where a responsible party can not be identified and where there is no pre-existing obligation to clean up the site by the owner or the government. Additionally, reasonable efforts must have already been taken to prevent the dumping. SEP monies will be used to pay for the direct cost of collection and disposal of debris. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by helping rid communities of the dangers and health threats associated with non-regulated trash dumps which contaminate air and water, and harbor disease carrying animals and insects.

Stallion Oilfield Services Ltd.  
Agreed Order – Attachment A

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.  
1716 Briarcrest Drive, Suite 510  
Bryan, Texas 77802-2700

**3. Records and Reporting**

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

