

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2009-0514-PST-E TCEQ ID: RN101617074 CASE NO.: 37447**  
**RESPONDENT NAME: R.C. MCBRYDE OIL COMPANY**

<b>ORDER TYPE:</b>		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" 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 HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input checked="" 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 type="checkbox"/> DRY CLEANER REGISTRATION

**SITE WHERE VIOLATIONS OCCURRED:** 115 South Segovia Access Road, Junction, Kimble County, Texas

**TYPE OF OPERATION:** Five underground storage tanks, a truck stop, maintenance facility, motel and restaurant

**SMALL BUSINESS:**  Yes  No

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

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

**COMMENTS RECEIVED:** The *Texas Register* comment period expired May 24, 2010. No comments were received.

**CONTACTS AND MAILING LIST:**  
**TCEQ Attorney:** Ms. Kari L. Gilbreth, Litigation Division, MC 175, (512) 239-1320  
Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-3400  
**TCEQ Enforcement Coordinator:** Mr. Rajesh Acharya, Waste Enforcement Section, MC 128, (512) 239-0577  
**TCEQ Regional Contact:** Mr. Chris Mayben, San Angelo Regional Office, MC R-8, (325) 655-9479  
**Respondent:** Mr. Nowlin McBryde, President, R.C. McBryde Oil Company, 220 McFarland Street, Kerrville, Texas 78028  
**Respondent's Attorney:** Mr. William W. Thompson, III, Grissom & Thompson, L.L.P., 509 West 12<sup>th</sup> Street,  
Austin, Texas 78701

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b></p> <p><input type="checkbox"/> Complaint  <input checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input type="checkbox"/> Records Review</p> <p><b>Date of Complaint Relating to this Case:</b> None</p> <p><b>Dates of Investigation Relating to this Case:</b> February 10, 2009 through February 18, 2009</p> <p><b>Date of NOE Relating to this Case:</b> April 3, 2009</p> <p><b>Background Facts:</b> The case was referred to the Litigation Division on August 12, 2009. The EDPRP was filed on August 20, 2009. The Respondent filed an answer and the case was referred to SOAH. Settlement was achieved and the agreed order was signed on March 30, 2010.</p> <p><b>Current Compliance Status:</b> All five USTs were removed from the ground in April 2009 and a new UST system has been installed at the Facility. The Respondent's delivery certificate expires January 2011.</p> <p><b>PST:</b></p> <ol style="list-style-type: none"> <li>Failed to equip the UST system with a spill containment device designed to prevent the release of regulated substances into the environment when the transfer hose or line is detached from the fill pipe [30 TEX. ADMIN. CODE § 334.51(b)(2)(B)(i) and TEX. WATER CODE § 26.3475(c)(2)].</li> <li>Failed to prevent an unauthorized discharge of diesel fuel into or adjacent to any water in the state [30 TEX. ADMIN. CODE § 334.48(a) and TEX. WATER CODE § 26.121].</li> <li>Failed to prevent an unauthorized discharge of petroleum substances [30 TEX. ADMIN. CODE § 334.48(a)].</li> <li>Failed to report a suspected release to the TCEQ within 24 hours of the discovery [30 TEX. ADMIN. CODE § 334.72(2)].</li> <li>Failed to investigate a suspected release of regulated substances within 30 days of discovery [30 TEX. ADMIN. CODE § 334.74(1)].</li> </ol>	<p><b>Total Assessed:</b> \$67,600</p> <p><b>Total Deferred:</b> \$0</p> <p><input type="checkbox"/> Expedited Order  <input type="checkbox"/> Financial Inability to Pay  <input type="checkbox"/> SEP Conditional Offset</p> <p><b>Total Paid/Due to General Revenue:</b> \$15,030/\$52,570</p> <p>The Respondent paid \$15,030 of the administrative penalty. The remaining amount of \$52,570 shall be payable in 14 monthly payments of \$3,755 each.</p> <p><b>Site Compliance History Classification:</b>  <input checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p> <p><b>Findings Order Justification:</b> The violations involve discharge of contaminants to the environment, and environmental receptors have been exposed to pollutants which exceed levels that are protective (violation no. 2).</p>	<p><b>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent implemented the following corrective measures:</p> <ol style="list-style-type: none"> <li>Drained the leaking diesel tank and stopped the leak;</li> <li>Reported the release to the Commission and conducted the required release investigation;</li> <li>Installed extraction wells down gradient of the diesel tanks to intercept the plume;</li> <li>Installed absorbent booms and pads to contain and recover the diesel seep in Johnson Fork Creek;</li> <li>Installed a cut-off trench to contain and capture the plume;</li> <li>Replaced the entire tank system, including installation of two new tanks and replacement of the spill buckets;</li> <li>Permanently removed two old diesel tanks from the ground;</li> <li>Implemented a phase-separated hydrocarbon removal program for the Facility; and</li> <li>Submitted a Site Investigation Report ("SIR").</li> </ol> <p><b>Ordering Provisions:</b></p> <p>The Respondent shall undertake the following technical requirements:</p> <ol style="list-style-type: none"> <li>Within 30 days: <ol style="list-style-type: none"> <li>Implement procedures to ensure spill and overflow prevention devices are inspected and serviced; and</li> <li>Submit a new SIR to the ED or implement the SIR that was submitted the ED on or about November 23, 2009 ("2009 plan") once the 2009 plan is approved in writing by the ED. If a new SIR is submitted to the ED for review and approval, it shall include a summary of the findings of the</li> </ol> </li> </ol>

**VIOLATION SUMMARY CHART:**

<b>VIOLATION INFORMATION</b>	<b>PENALTY CONSIDERATIONS</b>	<b>CORRECTIVE ACTIONS TAKEN/REQUIRED</b>
		<p>SIR as well as a proposal for corrective action. Upon review, possible modification, and approval by the ED, implement the proposal.</p> <p>If, after receipt of the SIR, the ED determines that additional investigation is necessary, implement such investigation and report the results to the ED within the timeframe specified in the request.</p> <p>If the ED determines that additional information or additional actions are required to ensure that adequate remediation of all contaminated areas has been completed, submit the additional information to the ED, and perform the additional actions within the timeframe specified in the request.</p> <p>2. Within 60 days, submit monthly status reports to the TCEQ Remediation Division ("Remediation") until such time that Remediation has determined that the Facility is in compliance.</p> <p>3. Within 90 days, submit written certification demonstrating compliance with Ordering Provision Nos. 1 and 2.</p>



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	6-Apr-2009			
	<b>PCW</b>	12-Aug-2009	<b>Screening</b>	9-Apr-2009	<b>EPA Due</b>

<b>RESPONDENT/FACILITY INFORMATION</b>					
<b>Respondent</b>	R.C. MCBRYDE OIL COMPANY				
<b>Reg. Ent. Ref. No.</b>	RN101617074				
<b>Facility/Site Region</b>	8-San Angelo	<b>Major/Minor Source</b>	Major		

<b>CASE INFORMATION</b>					
<b>Enf./Case ID No.</b>	37447	<b>No. of Violations</b>	5		
<b>Docket No.</b>	2009-0514-PST-E	<b>Order Type</b>	Findings		
<b>Media Program(s)</b>	Petroleum Storage Tank	<b>Government/Non-Profit</b>	No		
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Rajesh Acharya		
		<b>EC's Team</b>	Enforcement Team 6		
<b>Admin. Penalty \$ Limit</b>	<b>Minimum</b>	\$0	<b>Maximum</b>	\$10,000	

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$67,500
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### 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>	0.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$0
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Notes: No enhancement due to compliance history.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts	\$2,434	*Capped at the Total EB \$ Amount
Approx. Cost of Compliance	\$55,600	

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$67,500
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.1%	<b>Adjustment</b>	\$100
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended enhancement to capture the avoided cost of compliance associated with violation no. 4.

**Final Penalty Amount** \$67,600

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$67,600
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<b>DEFERRAL</b>	0.0% Reduction	<b>Adjustment</b>	\$0
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: No deferral is recommended for Findings Orders.

<b>PAYABLE PENALTY</b>	\$67,600
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**Screening Date** 9-Apr-2009

**Docket No.** 2009-0514-PST-E

**PCW**

**Respondent** R.C. MCBRYDE OIL COMPANY

*Policy Revision 2 (September 2002)*

**Case ID No.** 37447

*PCW Revision October 30, 2008*

**Reg. Ent. Reference No.** RN101617074

**Media [Statute]** Petroleum Storage Tank

**Enf. Coordinator** Rajesh Acharya

### 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 submitted</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%
<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)** 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 compliance history.

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

**Screening Date** 9-Apr-2009 **Docket No.** 2009-0514-PST-E **PCW**  
**Respondent** R.C. MCBRYDE OIL COMPANY *Policy Revision 2 (September 2002)*  
**Case ID No.** 37447 *PCW Revision October 30, 2008*  
**Reg. Ent. Reference No.** RN101617074  
**Media [Statute]** Petroleum Storage Tank  
**Enf. Coordinator** Rajesh Acharya

**Violation Number**

**Rule Cite(s)**

**Violation Description**

**Base Penalty**

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="25%"/>
	Potential	<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

**Matrix Notes**

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days

<i>mark only one with an x</i>	daily	<input type="text"/>
	weekly	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input checked="" type="text" value="x"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text"/>

**Violation Base Penalty**

**Good Faith Efforts to Comply**  Reduction

	Before NOV	NOV to EDRP/Settlement
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="text" value="x"/>	(mark with x)

**Notes**

**Violation Subtotal**

**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** R.C. MCBRYDE OIL COMPANY  
**Case ID No.** 37447  
**Reg. Ent. Reference No.** RN101617074  
**Media** Petroleum Storage Tank  
**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
No commas or \$							

### Delayed Costs

Equipment	\$500	10-Feb-2009	10-Nov-2009	0.75	\$1	\$25	\$26
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

Estimated cost to replace the spill buckets. Date Required is the investigation date. Final Date is the estimated compliance date.

### 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**

\$26

**Screening Date** 9-Apr-2009 **Docket No.** 2009-0514-PST-E **PCW**  
**Respondent** R.C. MCBRYDE OIL COMPANY *Policy Revision 2 (September 2002)*  
**Case ID No.** 37447 *PCW Revision October 30, 2008*  
**Reg. Ent. Reference No.** RN101617074  
**Media [Statute]** Petroleum Storage Tank  
**Enf. Coordinator** Rajesh Acharya

**Violation Number** 2  
**Rule Cite(s)** 30 Tex. Admin. Code § 334.48(a) and Texas Water Code § 26.121  
**Violation Description** Failed to prevent an unauthorized discharge of diesel fuel into or adjacent to any water in the state. Specifically, diesel fuel had been leaking from tank no. 5. It is estimated that 20,000 to 40,000 gallons of diesel fuel leaked out of the tank. The leaking diesel fuel had reached the Johnson Fork Creek and was seeping into the water at a rate of 30 gallons per day (gpd) during the February 11, 2009 investigation.

**Base Penalty** \$10,000

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	x			100%
	Potential				

**>> Programmatic Matrix**

	Trasncation	Major	Moderate	Minor	Percent
					0%

**Matrix Notes** Human health or the environment has been exposed to pollutants which exceed levels that are protective of human health or environmental receptors as a result of the violation.

**Adjustment** \$0

\$10,000

**Violation Events**

Number of Violation Events 4 111 Number of violation days

*mark only one with an x*

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

**Violation Base Penalty** \$40,000

Four monthly events are recommended from the December 19, 2008 release discovery date to the April 9, 2009 screening date.

**Good Faith Efforts to Comply** 0.0% Reduction \$0

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

**Notes** The Respondent does not meet the good faith criteria for this violation.

**violation subtotal** \$40,000

**Economic Benefit (EB) for this violation** **Statutory Limit Test**

**Estimated EB Amount** \$2,233 **Violation Final Penalty Total** \$40,059

**This violation Final Assessed Penalty (adjusted for limits)** \$40,059

## Economic Benefit Worksheet

**Respondent** R.C. MCBRYDE OIL COMPANY  
**Case ID No.** 37447  
**Reg. Ent. Reference No.** RN101617074  
**Media** Petroleum Storage Tank  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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	\$50,000	19-Dec-2008	10-Nov-2009	0.89	\$2,233	n/a	\$2,233
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to properly clean up and dispose of contaminated soils and groundwater. Date required is the date release was discovered. Final Date is the estimated 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

\$50,000

**TOTAL**

\$2,233

**Screening Date** 9-Apr-2009 **Docket No.** 2009-0514-PST-E **PCW**  
**Respondent** R.C. MCBRYDE OIL COMPANY *Policy Revision 2 (September 2002)*  
**Case ID No.** 37447 *PCW Revision October 30, 2008*  
**Reg. Ent. Reference No.** RN101617074  
**Media [Statute]** Petroleum Storage Tank  
**Enf. Coordinator** Rajesh Acharya

**Violation Number**   
**Rule Cite(s)**   
**Violation Description**   
**Base Penalty**

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

OR	<b>Harm</b>			Percent <input type="text" value="25%"/>	
	<b>Release</b>	Major	Moderate		Minor
	Actual	<input type="text"/>	<input type="text"/>		x
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>		

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent <input type="text" value="0%"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	

**Matrix Notes**

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days  
 mark only one with an x  
 daily   
 weekly   
 monthly   
 quarterly    
 semiannual   
 annual   
 single event   
**Violation Base Penalty**

**Good Faith Efforts to Comply**  Reduction

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	x	(mark with x)
Notes	<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>	

**Violation Subtotal**

**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** R.C. MCBRYDE OIL COMPANY  
**Case ID No.** 37447  
**Reg. Ent. Reference No.** RN101617074  
**Media** Petroleum Storage Tank  
**Violation No.** 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Economic benefit included in violation no. 2.

### 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

**Screening Date** 9-Apr-2009 **Docket No.** 2009-0514-PST-E **PCW**  
**Respondent** R.C. MCBRYDE OIL COMPANY *Policy Revision 2 (September 2002)*  
**Case ID No.** 37447 *PCW Revision October 30, 2008*  
**Reg. Ent. Reference No.** RN101617074  
**Media [Statute]** Petroleum Storage Tank  
**Enf. Coordinator** Rajesh Acharya

**Violation Number** 4  
**Rule Cite(s)** 30 Tex. Admin. Code § 334.72(2)  
**Violation Description** Failed to report a suspected release to the TCEQ within 24 hours of the discovery. Specifically, inventory control records for June and July 2008 indicated a suspected release that was not reported.

**Base Penalty** \$10,000

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

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

**>> Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
	x			25%

**Matrix Notes** 100% of the rule requirement was not met.

**Adjustment** \$7,500  
\$2,500

**Violation Events**

Number of Violation Events 1 58 Number of violation days

*mark only one with an x*

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

**Violation Base Penalty** \$2,500

One single event is recommended based on the documentation of the violation during the investigation date of February 10, 2009.

**Good Faith Efforts to Comply** 0.0% Reduction \$0

	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 for this violation.

**Violation Subtotal** \$2,500

**Economic Benefit (EB) for this violation** **Statutory Limit Test**

**Estimated EB Amount** \$100 **Violation Final Penalty Total** \$2,504

**This violation Final Assessed Penalty (adjusted for limits)** \$2,504

## Economic Benefit Worksheet

**Respondent** R.C. MCBRYDE OIL COMPANY  
**Case ID No.** 37447  
**Reg. Ent. Reference No.** RN101617074  
**Media** Petroleum Storage Tank  
**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
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)				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)	\$100	1-Aug-2008	2-Aug-2008	0.00	\$0	\$100	\$100

Notes for AVOIDED costs

Estimated cost to report a suspected release. Date Required is the date of the suspected release. Final Date is the date of the report was due.

Approx. Cost of Compliance \$100

**TOTAL** \$100

**Screening Date** 9-Apr-2009 **Docket No.** 2009-0514-PST-E **PCW**  
**Respondent** R.C. MCBRYDE OIL COMPANY *Policy Revision 2 (September 2002)*  
**Case ID No.** 37447 *PCW Revision October 30, 2008*  
**Reg. Ent. Reference No.** RN101617074  
**Media [Statute]** Petroleum Storage Tank  
**Enf. Coordinator** Rajesh Acharya

**Violation Number**   
**Rule Cite(s)**   
**Violation Description**   
**Base Penalty**

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="50%"/>
	Potential	<input type="text" value="x"/>	<input type="text"/>	<input type="text"/>	

**>> Programmatic Matrix**

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>

**Matrix Notes**

**Adjustment**

**Violation Events**

Number of Violation Events   Number of violation days  
 mark only one with an x  

daily	<input type="text"/>
weekly	<input type="text"/>
monthly	<input type="text" value="x"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input type="text"/>

**Violation Base Penalty**

**Good Faith Efforts to Comply**  Reduction

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input type="text" value="x"/>	<input type="text" value="(mark with x)"/>

**Notes**

**Violation Subtotal**

**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** R.C. MCBRYDE OIL COMPANY  
**Case ID No.** 37447  
**Reg. Ent. Reference No.** RN101617074  
**Media** Petroleum Storage Tank  
**Violation No.** 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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)	\$5,000	31-Aug-2008	19-Dec-2008	0.30	\$75	n/a	\$75

Notes for DELAYED costs

Estimated costs to investigate a suspected release. Date Required is the date when the release investigation was due. 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

\$5,000

**TOTAL**

\$75

# Compliance History

Customer/Respondent/Owner-Operator:	CN600956635 R.C. MCBRYDE OIL COMPANY	Classification: AVERAGE	Rating: 2.25
Regulated Entity:	RN101617074 Segovia Truck Stop	Classification: HIGH	Site Rating: 0.00
ID Number(s):	WASTE WATER GENERAL PERMIT PERMIT		TXG830333
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	1620
	LEAKING PETROLEUM STORAGE TANKS REMEDIATION	ID NUMBER	112247
Location:	115 S SEGOVIA ACCESS RD, JUNCTION, TX, 76849		
TCEQ Region:	REGION 08 - SAN ANGELO		

Date Compliance History Prepared: April 13, 2009  
 Agency Decision Requiring Compliance History: Enforcement  
 Compliance Period: April 13, 2004 to April 13, 2009  
 TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
 Name: Rajesh Acharya Phone: (512) 239-0577

## 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? R.C. MCBRYDE OIL COMPANY
4. If Yes, who was/were the prior owner(s)? TEJANO ENTERPRISES, INC.
5. When did the change(s) in ownership occur? 07/21/2005
6. Rating Date: 9/1/2008 Repeat Violator: NO

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, 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	07/28/2005	(400740)
2	02/12/2009	(723601)
3	03/13/2009	(736571)
4	04/01/2009	(735713)
  - 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



<b>IN THE MATTER OF AN</b>	§	
<b>ENFORCEMENT ACTION</b>	§	<b>BEFORE THE</b>
<b>CONCERNING</b>	§	
<b>R.C. MCBRYDE OIL COMPANY;</b>	§	<b>TEXAS COMMISSION ON</b>
<b>RN101617074</b>	§	
	§	<b>ENVIRONMENTAL QUALITY</b>

**AGREED ORDER**  
**DOCKET NO. 2009-0514-PST-E**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality (“Commission” or “TCEQ”) considered this agreement of the parties, resolving an enforcement action regarding R.C. McBryde Oil Company (“McBryde Oil”) under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, represented by the Litigation Division, and McBryde Oil, presented this agreement to the Commission.

McBryde Oil understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, McBryde Oil agrees to waive all notice and procedural rights.

It is further understood and agreed that this Agreed Order represents the complete and fully-integrated agreement of the parties. 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. The duties and responsibilities imposed by this Agreed Order are binding upon McBryde Oil.

The Commission makes the following Findings of Fact and Conclusions of Law:

**FINDINGS OF FACT**

1. McBryde Oil owns five underground storage tanks, a truck stop, maintenance facility, motel and restaurant located at 115 South Segovia Access Road in Junction, Kimble County, Texas (“the Facility”).
2. McBryde Oil’s five USTs are not exempt or excluded from regulation under the Texas Water Code or the rules of the Commission. McBryde Oil’s USTs contain a regulated petroleum substance as defined in the rules of the Commission.

3. During investigations conducted from February 10, 2009 through February 18, 2009, a TCEQ San Angelo Regional Office investigator documented that McBryde Oil:
  - a. Failed to equip the UST system with a spill containment device designed to prevent the release of regulated substances into the environment when the transfer hose or line is detached from the fill pipe. Specifically, spill buckets for tank Nos. 2 and 5 were cracked.
  - b. Failed to prevent an unauthorized discharge of diesel fuel into or adjacent to any water in the state. Specifically, diesel fuel had been leaking from tank No. 5. It is estimated that 20,000 to 40,000 gallons of diesel fuel leaked out of the tank. The leaking diesel fuel had reached the Johnson Fork Creek and was seeping into the water at a rate of 30 gallons per day (“gpd”).
  - c. Failed to prevent an unauthorized discharge of petroleum substances. Specifically, staining was observed around the door of the maintenance facility, the pavement, and around a propane tank and depressed area in the ground.
  - d. Failed to report a suspected release to the TCEQ within 24 hours of the discovery. Specifically, inventory control records for June and July 2008 indicated a suspected release which was not reported.
  - e. Failed to investigate a suspected release of regulated substances within 30 days of discovery. Specifically, inventory control records for June and July 2008 indicated a suspected release which was not investigated.
4. McBryde Oil received notice of the violations on or about April 8, 2009.
5. The Executive Director recognizes that McBryde Oil has implemented the following corrective measures at the Facility:
  - a. Drained the leaking diesel tank and stopped the leak on or about December 19, 2008.
  - b. Reported the release to the Commission and conducted the required release investigation on or about December 19, 2008.
  - c. Installed extraction wells down gradient of the diesel tanks to intercept the plume on or about January 22, 2009.

- d. Installed absorbent booms and pads to contain and recover the diesel seep in Johnson Fork Creek on or about February 11, 2009.
- e. Installed a cut-off trench to contain and capture the plume on or about March 19, 2009.
- f. Replaced the entire tank system, including installation of two new tanks and replacement of the spill buckets on or about April 22, 2009.
- g. Permanently removed two old diesel tanks from the ground on or about April 30, 2009.
- h. Implemented a phase-separated hydrocarbon (“PSH”) removal program for the Facility in March 2010. The program consists of utilizing a mobile dual-phase extraction (“MDPE”) unit by moving it to various wells and removing liquids.
- i. Submitted the Site Investigation Report (“SIR”) to the Executive Director on or about November 23, 2009.

### CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact Nos. 1 and 2, McBryde Oil is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE chs. 7 and 26 and the rules of the Commission.
2. As evidenced by Finding of Fact No. 3.a., McBryde Oil failed to equip the UST system with a spill containment device designed to prevent the release of regulated substances into the environment when the transfer hose or line is detached from the fill pipe, in violation of 30 TEX. ADMIN. CODE § 334.51(b)(2)(B)(i) and TEX. WATER CODE § 26.3475(c)(2).
3. As evidenced by Finding of Fact No. 3.b., McBryde Oil failed to prevent an unauthorized discharge of diesel fuel into or adjacent to any water in the state, in violation of 30 TEX. ADMIN. CODE § 334.48(a) and TEX. WATER CODE § 26.121.
4. As evidenced by Finding of Fact No. 3.c., McBryde Oil failed to prevent an unauthorized discharge of petroleum substances, in violation of 30 TEX. ADMIN. CODE § 334.48(a).
5. As evidenced by Finding of Fact No. 3.d., McBryde Oil failed to report a suspected release to the TCEQ within 24 hours of the discovery, in violation of 30 TEX. ADMIN. CODE § 334.72(2).

6. As evidenced by Finding of Fact No. 3.e., McBryde Oil failed to investigate a suspected release of regulated substances within 30 days of discovery, in violation of 30 TEX. ADMIN. CODE § 334.74(1).
7. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against McBryde Oil for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
8. An administrative penalty in the amount of sixty-seven thousand six hundred dollars (\$67,600.00) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. McBryde Oil has paid twenty-six thousand three hundred five dollars (\$26,305.00) of the administrative penalty. The remaining amount of forty-one thousand two hundred ninety-five dollars (\$41,295.00) of the administrative penalty shall be payable in 15 monthly payments of two thousand seven hundred fifty-three dollars (\$2,753.00) each. The first monthly payment shall be paid within 30 days after the effective date of this Agreed Order. The subsequent payments shall be remitted not later than 30 days following the due date of the previous payment. If McBryde Oil 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 McBryde Oil to meet the payment schedule of this Agreed Order constitutes the failure by McBryde Oil to timely and satisfactorily comply with all of the terms of this Agreed Order.

### **ORDERING PROVISIONS**

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. McBryde Oil is assessed an administrative penalty in the amount of sixty seven thousand six hundred dollars (\$67,600.00) as set forth in Conclusion of Law No. 8 for violations of TCEQ rules and state statutes. The payment of this administrative penalty and McBryde Oil's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that 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: R.C. McBryde Oil Company; Docket No. 2009-0514-PST-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. McBryde Oil shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order, McBryde Oil shall:
    - i. Implement procedures to ensure spill and overflow prevention devices are inspected and serviced, in accordance with 30 TEX. ADMIN. CODE § 334.51; and
    - ii. Submit a new SIR to the Executive Director, or implement the SIR which was submitted to the Executive Director on or about November 23, 2009 ("2009 plan") once the 2009 plan is approved in writing by the Executive Director. If a new SIR is submitted to the Executive Director for review and approval, it shall include a summary of the findings of the SIR as well as a proposal for corrective action. The proposal shall be submitted in accordance with 30 TEX. ADMIN. CODE ch. 334, subchs. D and G (relating to Release Reporting and Corrective Action, and Target Concentration Criteria, respectively) or other applicable guidance approved by the Executive Director. Upon review, possible modification, and approval by the Executive Director, implement the proposal in accordance with the approved implementation schedule.

If, after receipt of the Site Investigation Report, the Executive Director determines that additional investigation is necessary, implement such investigation and report the results to the Executive Director within the timeframe specified in the request.

If the Executive Director determines that additional information or additional actions are required to ensure that adequate remediation of all contaminated areas has been completed, submit the additional information to the Executive Director, and perform the additional actions within the timeframe specified in the request.
  - b. Within 60 days after the effective date of this Agreed Order, McBryde Oil shall submit monthly status reports to the TCEQ Remediation Division ("Remediation")

until such time that Remediation has determined that the Facility is in compliance with the Ordering Provisions contained in paragraph 2.a.ii., to:

Texas Commission on Environmental Quality  
Remediation Division, PST/DCRP Section MC-137  
P.O. Box 13087  
Austin, TX 78711-3087

- c. Within 90 days after the effective date of this Agreed Order, McBryde Oil shall submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a. and 2.b. 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 I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.”

McBryde Oil shall submit copies of documentation necessary to demonstrate compliance with these Ordering Provisions 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:

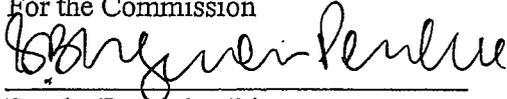
Mr. Mark Newman, Waste Section Manager  
San Angelo Regional Office  
Texas Commission on Environmental Quality  
622 South Oakes, Suite K  
San Angelo, Texas 76903-7013

3. The provisions of this Agreed Order shall apply to and be binding upon McBryde Oil. McBryde Oil is ordered to give notice of this Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. If McBryde Oil 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, McBryde Oil's failure to comply is not a violation of this Agreed Order. McBryde Oil has the burden of establishing to the Executive Director's satisfaction that such an event has occurred. McBryde Oil shall notify the Executive Director within seven days after McBryde Oil 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 McBryde Oil shall be made in writing to the Executive Director. Extensions are not effective until McBryde Oil receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to McBryde Oil if the Executive Director determines that McBryde Oil has not complied with one or more of the terms or conditions in this Agreed Order.
7. 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.
8. This Agreed Order, issued by the Commission, shall not be admissible against McBryde Oil 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.
9. 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.
10. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. Pursuant to 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date is the date of hand-delivery of this Agreed Order to McBryde Oil, or three days after the date on which the Commission mails notice of this Agreed Order to McBryde Oil, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

5/3/2010

Date

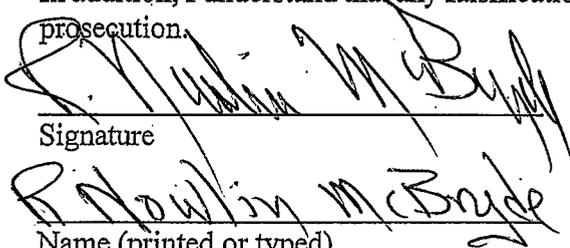
I, the undersigned, have read and understand the attached Agreed Order in the matter of R.C. McBryde Oil Company. I represent that I am authorized to agree to the attached Agreed Order on behalf of R.C. McBryde Oil Company, and do agree to the specified terms and conditions. I further acknowledge that 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 in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on McBryde Oil's compliance history;
- Greater scrutiny of any permit applications submitted by McBryde Oil;
- 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 McBryde Oil;
- 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, I understand that any falsification of any compliance documents may result in criminal prosecution.

Signature



Name (printed or typed)

Authorized Representative

R.C. McBryde Oil Company

Date

3/30/10

Title

President