

**Executive Summary – Enforcement Matter – Case No. 42572**  
**Taylor Petroleum Companies, Inc.**  
**RN101885069**  
**Docket No. 2011-1702-PWS-E**

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

Three or more enforcement actions (NOVs, orders, etc.) over the prior five year period for the same violation(s).

**Media:**

PWS

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Taylor Petroleum Company 61, 906 Farm-to-Market Road 1585, Lubbock County

**Type of Operation:**

Gas station and convenience store with a public water supply

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** March 16, 2012

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$4,355

**Amount Deferred for Expedited Settlement:** \$0

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$4,355

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**SEP Conditional Offset:** \$0

Name of SEP: N/A

**Compliance History Classifications:**

Person/CN - Average

Site/RN - Poor

**Major Source:** No

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2002

**Executive Summary – Enforcement Matter – Case No. 42572  
Taylor Petroleum Companies, Inc.  
RN101885069  
Docket No. 2011-1702-PWS-E**

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** August 15, 2011

**Date(s) of NOE(s):** August 19, 2011

***Violation Information***

Failed to collect routine distribution water samples for coliform analysis and failed to provide notification to the customers of the Facility regarding the failure to conduct routine coliform monitoring [30 TEX. ADMIN. CODE §§ 290.109(c)(2)(A)(i) and 290.122(c)(2)(B) and TEX. HEALTH & SAFETY CODE § 341.033(d)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

N/A

**Technical Requirements:**

The Order will require the Respondent to:

a. Within 10 days:

i. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to the customers of the Facility; and

ii. Begin complying with all applicable coliform monitoring requirements by collecting routine coliform distribution samples every month and providing water that meets the provisions regarding microbial contaminants. This provision will be satisfied upon six months of compliant monitoring and reporting.

b. Within 30 days, submit written certification to demonstrate compliance with Ordering Provision a.i.

c. Within 195 days, submit written certification demonstrating compliance with Ordering Provision a.ii.

***Litigation Information***

**Date Petition(s) Filed:** N/A

**Date Answer(s) Filed:** N/A

**SOAH Referral Date:** N/A

**Hearing Date(s):** N/A

**Settlement Date:** N/A

**Executive Summary – Enforcement Matter – Case No. 42572**  
**Taylor Petroleum Companies, Inc.**  
**RN101885069**  
**Docket No. 2011-1702-PWS-E**

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Rebecca Clausewitz, Enforcement Division,  
Enforcement Team 2, MC R-13, (210) 403-4012; Debra Barber, Enforcement Division,  
MC 219, (512) 239-0412

**TCEQ SEP Coordinator:** N/A

**Respondent:** R. Kenton Dorris, President, Taylor Petroleum Companies, Inc., 500  
South Taylor, Suite 1200, Amarillo, Texas 79101

**Respondent's Attorney:** N/A





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	22-Aug-2011	<b>Screening</b>	12-Sep-2011	<b>EPA Due</b>	31-Dec-2011
	<b>PCW</b>	16-Sep-2011				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Taylor Petroleum Companies, Inc.
<b>Reg. Ent. Ref. No.</b>	RN101885069
<b>Facility/Site Region</b>	1-Amarillo
<b>Major/Minor Source</b>	Minor

<b>CASE INFORMATION</b>		<b>No. of Violations</b>	1
<b>Enf./Case ID No.</b>	42572	<b>Order Type</b>	Findings
<b>Docket No.</b>	2011-1702-PWS-E	<b>Government/Non-Profit</b>	No
<b>Media Program(s)</b>	Public Water Supply	<b>Enf. Coordinator</b>	Rebecca Clausewitz
<b>Multi-Media</b>		<b>EC's Team</b>	Enforcement Team 2
<b>Admin. Penalty \$ Limit Minimum</b>	\$50	<b>Maximum</b>	\$1,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$2,250**

**ADJUSTMENTS (+/-) TO SUBTOTAL 1**  
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** **82.0%** Enhancement **Subtotals 2, 3, & 7** **\$1,845**

Notes: Enhancement for eight NOV's with same/similar violations, one NOV with dissimilar violations, and two final agreed enforcement orders containing a denial of liability.

**Culpability** **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes: The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5** **\$0**

**Economic Benefit** **0.0%** Enhancement\* **Subtotal 6** **\$0**

Total EB Amounts \$262  
Approx. Cost of Compliance \$280  
\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$4,095**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **6.3%** **Adjustment** **\$260**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: An enhancement is recommended for the recovery of the avoided costs of compliance.

**Final Penalty Amount** **\$4,355**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$4,355**

**DEFERRAL** **0.0%** Reduction **Adjustment** **\$0**

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

Notes: No deferral is recommended for Findings Orders.

**PAYABLE PENALTY** **\$4,355**

**Screening Date** 12-Sep-2011

**Docket No.** 2011-1702-PWS-E

**PCW**

**Respondent** Taylor Petroleum Companies, Inc.

Policy Revision 2 (September 2002)

**Case ID No.** 42572

PCW Revision October 30, 2008

**Reg. Ent. Reference No.** RN101885069

**Media [Statute]** Public Water Supply

**Enf. Coordinator** Rebecca Clausewitz

### Compliance History Worksheet

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

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	8	40%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	2	40%
	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)**

>> **Repeat Violator (Subtotal 3)**

**Adjustment Percentage (Subtotal 3)**

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

**Adjustment Percentage (Subtotal 7)**

>> **Compliance History Summary**

**Compliance History Notes**

Enhancement for eight NOVs with same/similar violations, one NOV with dissimilar violations, and two final agreed enforcement orders containing a denial of liability.

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

Screening Date 12-Sep-2011

Docket No. 2011-1702-PWS-E

PCW

Respondent Taylor Petroleum Companies, Inc.

Policy Revision 2 (September 2002)

Case ID No. 42572

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN101885069

Media [Statute] Public Water Supply

Enf. Coordinator Rebecca Clausewitz

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 290.109(c)(2)(A)(i) and 290.122(c)(2)(B) and Tex. Health & Safety Code § 341.033(d)

Violation Description

Failed to collect routine distribution water samples for coliform analysis and failed to provide notification to the customers of the Facility regarding the failure to conduct routine coliform monitoring. Specifically, the Respondent failed to conduct monthly coliform sampling during the months of April, October, and December 2010 and January through June 2011 and failed to provide notification to the customers of the Facility of the failure to sample in March and April 2011.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				25%
	Potential	x			

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0%

Matrix Notes

Failure to perform routine coliform monitoring of the drinking water at the Facility could result in customers being exposed to significant amounts of undetected contaminants, which would exceed levels protective of human health.

Adjustment \$750

\$250

Violation Events

Number of Violation Events 9 Number of violation days 273

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

Violation Base Penalty \$2,250

Nine monthly events are recommended.

Good Faith Efforts to Comply

0.0% Reduction Before NOV NOV to EDPRP/Settlement Offer \$0

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

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

Violation Subtotal \$2,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$262

Violation Final Penalty Total \$4,355

This violation Final Assessed Penalty (adjusted for limits) \$4,355

# Economic Benefit Worksheet

**Respondent** Taylor Petroleum Companies, Inc.  
**Case ID No.** 42572  
**Reg. Ent. Reference No.** RN101885069  
**Media** Public Water Supply  
**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				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$45	30-Jun-2011	30-Apr-2012	0.84	\$0	\$3	\$3
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**

The delayed cost includes the estimated amount to develop a protocol to ensure all necessary public notices are posted for the customers and provided to the TCEQ in a timely manner, calculated from the due date when the first public notice should have been provided to 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]	\$225	1-Apr-2010	30-Jun-2011	2.16	\$24	\$225	\$249
Other (as needed)	\$10	30-Jun-2011	31-Jul-2011	1.00	\$1	\$10	\$11

**Notes for AVOIDED costs**

The one-time avoided cost includes the estimated amount to conduct routine coliform sampling of the drinking water at the Facility (\$25 per sample) calculated for the months in which no sampling was performed. The other avoided cost includes the estimated amount to provide public notice to the Facility customers (\$5 per notice), calculated from due date that the first public notice should have been provided, to the due date that the last public notice should have been provided.

Approx. Cost of Compliance

\$280

**TOTAL**

\$262

# Compliance History

Customer/Respondent/Owner-Operator: CN601260730 Taylor Petroleum Companies, Inc. Classification: Average Rating: 3.35  
Regulated Entity: RN101885069 Taylor Petroleum Company 61 Classification: Poor Site Rating: 75.00  
ID Number(s): PETROLEUM STORAGE TANK REGISTRATION 8516  
PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1520229  
LEAKING PETROLEUM STORAGE TANKS ID NUMBER LPST 109128  
Location: 906 FM1585, LUBBOCK COUNTY, TEXAS  
TCEQ Region: REGION 02 - LUBBOCK  
Date Compliance History Prepared: September 15, 2011  
Agency Decision Requiring Compliance History: Enforcement  
Compliance Period: September 15, 2006 to September 15, 2011  
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
Name: Rebecca Clausewitz Phone: (210) 403-4012

## 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: 9/1/2011 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:

Effective Date: 04/13/2007

ADMINORDER 2001-0185-PST-E

Classification: Minor

Citation: 30 TAC Chapter 334, SubChapter A 334.7(d)(3)

Description: Failure to amend, update, or change the status in the registration to "out-of-service"

Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.3475

30 TAC Chapter 334, SubChapter C 334.49(a)(2)

30 TAC Chapter 334, SubChapter C 334.50(b)(1)(A)

30 TAC Chapter 334, SubChapter C 334.54(c)

Description: Failure to have corrosion protection for the UST systems. Electric power to the system had been turned off.

Classification: Minor

Citation: 2A TWC Chapter 5, SubChapter A 5.702

30 TAC Chapter 334, SubChapter B 334.21

30 TAC Chapter 334, SubChapter B 334.22

Description: Failure to pay underground storage tank fees and associated penalties and interest for each of the Facilities, as documented during investigations conducted on March 7, 8 and June 1, 2000.

Effective Date: 03/08/2008

ADMINORDER 2007-0834-PWS-E

Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.45(d)(2)(B)(ii)

Description: Failure to provide a ground storage capacity equal to 50% of the maximum daily demand.

Classification: Moderate

Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)

Description: Failed to maintain a complete record of water works operation and maintenance activities

Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.45(d)(2)(B)(iii)  
Description: Failed to provide at least one service pump with a capacity of three times the maximum daily demand.

Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(d)(2)(A)  
Description: Failed to maintain a free chlorine residual of 0.2 milligrams per liter ("mg/L") throughout the distribution system at all times.

Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(d)(2)(A)  
Description: Failed to maintain a free chlorine residual of 0.2 milligrams per liter ("mg/L") throughout the distribution system at all times.

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	04/23/2007	(553854)
2	04/06/2009	(737106)
3	04/30/2009	(740257)
4	06/22/2009	(742100)
5	05/12/2011	(915907)
6	05/12/2011	(915924)
7	05/12/2011	(915934)
8	05/12/2011	(915955)
9	05/16/2011	(920691)
10	08/19/2011	(920855)
11	05/18/2011	(920878)
12	07/26/2011	(934154)
13	08/16/2011	(948947)
14	08/19/2011	(949742)

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

Date: 06/10/2010 (920878) CN601260730  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(A)(i)  
Description: TCR Routine Monitoring Violation 04/2010 - Failure to collect any routine monitoring sample(s).

Date: 12/07/2010 (915907) CN601260730  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(A)(i)  
Description: TCR Routine Monitoring Violation 10/2010 - Failure to collect any routine monitoring sample(s).

Date: 02/11/2011 (915924) CN601260730  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(A)(i)  
Description: TCR Routine Monitoring Violation 12/2010 - Failure to collect any routine monitoring sample(s).

Date: 03/10/2011 (915934) CN601260730  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(A)(i)  
Description: TCR Routine Monitoring Violation 01/2011 - Failure to collect any routine monitoring sample(s).

Date: 03/31/2011 (915955) CN601260730  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(A)(i)  
Description: TCR Routine Monitoring Violation 02/2011 - Failure to collect any routine monitoring sample(s).

Date: 04/29/2011 (920691) CN601260730  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(A)(i)  
Description: TCR Routine Monitoring Violation 03/2011 - Failure to collect any routine monitoring sample(s).

Date: 06/03/2011 (948947) CN601260730  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(A)(i)  
Description: TCR Routine Monitoring Violation 04/2011 - Failure to collect any routine monitoring sample(s).

Date: 07/07/2011 (949742) CN601260730  
Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter F 290.109(c)(2)(A)(i)  
Description: TCR Routine Monitoring Violation 05/2011 - Failure to collect any routine monitoring sample(s).

Date: 07/28/2011 (934154) CN601260730  
Self Report? NO Classification: Major  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(d)(2)(A)  
Description: Failure to provide a minimum chlorine residual of 0.20 mg/l in the distribution system when chlorination equipment was available.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(v)  
Description: Failure to meet a local or national electrical code.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)  
Description: Failure to provide any water works operation records for review during the investigation.

- 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** § **BEFORE THE**  
**ENFORCEMENT ACTION** §  
**CONCERNING** §  
**TAYLOR PETROLEUM COMPANIES,** § **TEXAS COMMISSION ON**  
**INC.** §  
**RN101885069** § **ENVIRONMENTAL QUALITY**

## **AGREED ORDER** **DOCKET NO. 2011-1702-PWS-E**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality (“the Commission” or “TCEQ”) considered this agreement of the parties, resolving an enforcement action regarding Taylor Petroleum Companies, Inc. (“the Respondent”) under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent 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, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement 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 the Respondent.

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

### **I. FINDINGS OF FACT**

1. The Respondent owns and operates a gas station and convenience store with a public water supply at 906 Farm-to-Market Road 1585 in Lubbock County, Texas (the “Facility”) that has one service connection and serves at least 25 people per day for at least 60 days per year.
2. During a record review conducted on August 15, 2011, TCEQ staff documented that the Respondent did not collect routine distribution water samples for coliform analysis and did not provide notification to the customers of the Facility regarding the failure to conduct routine coliform monitoring. Specifically, the Respondent failed to conduct monthly coliform sampling during the months of April, October, and December 2010

and January through June 2011 and failed to provide notification to the customers of the Facility of the failure to sample in March and April 2011.

3. The Respondent received notice of the violations in a letter dated August 19, 2011.

## II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 2, the Respondent failed to collect routine distribution water samples for coliform analysis and failed to provide notification to the customers of the Facility regarding the failure to conduct routine coliform monitoring, in violation of 30 TEX. ADMIN. CODE §§ 290.109(c)(2)(A)(i) and 290.122(c)(2)(B) and TEX. HEALTH & SAFETY CODE § 341.033(d).
3. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against the Respondent 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.
4. An administrative penalty in the amount of Four Thousand Three Hundred Fifty-Five Dollars (\$4,355) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). The Respondent has paid the Four Thousand Three Hundred Fifty-Five Dollar (\$4,355) administrative penalty.

## III. ORDERING PROVISIONS

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

1. The Respondent is assessed an administrative penalty in the amount of Four Thousand Three Hundred Fifty-Five Dollars (\$4,355) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent'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 "TCEQ" and shall be sent with the notation "Re: Taylor Petroleum Companies, Inc., Docket No. 2011-1702-PWS-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 undertake the following technical requirements:
  - a. Within 10 days after the effective date of this Agreed Order:
    - i. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to the customers of the Facility, in accordance with 30 TEX. ADMIN. CODE § 290.122; and
    - ii. Begin complying with all applicable coliform monitoring requirements by collecting routine coliform distribution samples every month and providing water that meets the provisions regarding microbial contaminants, in accordance with 30 TEX. ADMIN. CODE § 290.109. This provision will be satisfied upon six months of compliant monitoring and reporting.
  - b. Within 30 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision 2.c., and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.i.
  - c. Within 195 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.ii. 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.”

The certification shall be submitted to:

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

with a copy to:

TCR Coordinator  
Water Supply Division, MC 155  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78753-3087

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. 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.
5. 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 the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
6. 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.
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 separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any

other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing" ,and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

9. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

**SIGNATURE PAGE**

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

  
For the Executive Director

4/20/12  
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Taylor Petroleum Companies, Inc. I am authorized to agree to the attached Agreed Order on behalf of Taylor Petroleum Companies, Inc., 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 understand that by entering into this Agreed Order, Taylor Petroleum Companies, Inc. waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

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

April 2, 2012  
Date

R. Kenton Dorris  
Name (Printed or typed)  
Authorized Representative of  
Taylor Petroleum Companies, Inc.

President  
Title

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