

Executive Summary – Enforcement Matter – Case No. 44948
Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service
RN105480404
Docket No. 2012-1829-SLG-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

SLG

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Hook-N-Bull Oilfield Service, 5285 Exxon Plant Road, Robstown, Nueces County

Type of Operation:

Sludge transportation service

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: February 8, 2013

Comments Received: No

Penalty Information

Total Penalty Assessed: \$20,648

Amount Deferred for Expedited Settlement: \$4,129

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$16,519

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 - Average

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2002 and September 2011

Executive Summary – Enforcement Matter – Case No. 44948
Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service
RN105480404
Docket No. 2012-1829-SLG-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: June 22, 2012

Date(s) of NOE(s): August 14, 2012

Violation Information

1. Failed to submit an application to renew an existing TCEQ sludge transporter registration by June 15 of the year in which the registration expired. Specifically, sludge transporter registration no. 23982 expired on August 31, 2011 and the Respondent continued to transport chemical toilet waste from September 1, 2011 through March 27, 2012 [30 TEX. ADMIN. CODE § 312.142(d)].
2. Failed to submit a complete annual summary report of the transportation activities for the period of June 1, 2010 through May 31, 2011. Specifically, the amount of waste disposed from March 26, 2011 through April 26, 2011 (trip tickets nos. 0176 and 0188) at the City of Orange Wastewater Treatment Plant was incorrect. In addition, 4,820 gallons of waste was disposed from December 17, 2010 through January 15, 2011 (trip tickets nos. 076-091) that was not reported [30 TEX. ADMIN. CODE § 312.145(b)(4)(C)].
3. Failed to maintain a copy of the registration authorization in each vehicle [30 TEX. ADMIN. CODE § 312.142(c)].
4. Failed to submit a new registration application when it's been determined that the existing registration does not adequately describe the operations or management methods. Specifically, the registration failed to include the City of Kenedy Wastewater Treatment Plant, where chemical toilet waste was being disposed [30 TEX. ADMIN. CODE § 312.142(e)(2)].
5. Failed to place the Commission assigned registration number on both sides of the vehicles or receptacle [30 TEX. ADMIN. CODE § 312.144(a)(4)].
6. Failed to maintain the required information on trip tickets. Specifically, trip ticket no. 0176 did not have the disposal facility information and trip ticket nos. 0051, 0207, 0209, 0214, 0128, and 0132 did not have the correct Commission registration number for the transporter [30 TEX. ADMIN. CODE § 312.145(a)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

Respondent has undertaken the following corrective actions:

Executive Summary – Enforcement Matter – Case No. 44948
Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service
RN105480404
Docket No. 2012-1829-SLG-E

- a. On January 25, 2011, ceased sending waste to the City of Kenedy Wastewater Treatment Plant;
- b. On March 28, 2012, renewed sludge transporter registration no. 23982;
- c. By August 29, 2012:
 - i. Began maintaining a copy of the registration authorization in each vehicle operated under the registration;
 - ii. Painted the registration number on the second side of the trucks/tanks; and
 - iii. Began maintaining trip tickets with the required information.

Technical Requirements:

The Order will require Respondent to:

- a. Within 30 days, submit a revised Annual Summary Report for the period of June 1, 2010 through May 31, 2011 to the Executive Director and a copy to the Corpus Christi Regional Office; and
- b. Within 45 days, submit written certification demonstrating compliance with Ordering Provision a.

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

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Cheryl Thompson, Enforcement Division, Enforcement Team 3, MC R-04, (817) 588-5886; Debra Barber, Enforcement Division, MC 219, (512) 239-0412
TCEQ SEP Coordinator: N/A
Respondent: Melissa Speight, Vice President, Hook-N-Bull Oilfield Service, 5285 Exxon Plant Road, Robstown, Texas 78380
Kendall Speight, President, Hook-N-Bull Oilfield Service, 5285 Exxon Plant Road, Robstown, Texas 78380
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES **Assigned** 20-Aug-2012
PCW 17-Sep-2012 **Screening** 30-Aug-2012 **EPA Due**

RESPONDENT/FACILITY INFORMATION

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service
Reg. Ent. Ref. No. RN105480404
Facility/Site Region 14-Corpus Christi **Major/Minor Source** Minor

CASE INFORMATION

Enf./Case ID No. 44948 **No. of Violations** 3
Docket No. 2012-1829-SLG-E **Order Type** 1660
Media Program(s) Water Quality **Government/Non-Profit** No
Multi-Media **Enf. Coordinator** Cheryl Thompson
EC's Team Enforcement Team 3

Admin. Penalty \$ Limit Minimum Maximum

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 20.0% Enhancement **Subtotals 2, 3, & 7**

Notes

Culpability No 0.0% Enhancement **Subtotal 4**

Notes

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

Economic Benefit 0.0% Enhancement* **Subtotal 6**

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

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

OTHER FACTORS AS JUSTICE MAY REQUIRE 1.5% **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL 20.0% 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 30-Aug-2012

Docket No. 2012-1829-SLG-E

PCW

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service

Policy Revision 2 (September 2002)

Case ID No. 44948

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN105480404

Media [Statute] Water Quality

Enf. Coordinator Cheryl Thompson

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>)	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>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<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 one order with denial of liability.

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

Screening Date 30-Aug-2012

Docket No. 2012-1829-SLG-E

PCW

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service

Policy Revision 2 (September 2002)

Case ID No. 44948

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN105480404

Media [Statute] Water Quality

Enf. Coordinator Cheryl Thompson

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 312.142(d)

Violation Description Failed to submit an application to renew an existing TCEQ Sludge Transporter Registration by June 15 of the year in which the registration expired. Specifically, Sludge Transporter Registration No. 23982 expired on August 31, 2011 and the Respondent continued to transport chemical toilet waste from September 1, 2011 through March 27, 2012.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Table with columns: Release (Actual, Potential), Harm (Major, Moderate, Minor), Percent (0%).

>> Programmatic Matrix

Table with columns: Falsification, Major, Moderate, Minor, Percent (10%).

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

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 3 Number of violation days 210

Table for frequency: daily, weekly, monthly, quarterly (marked with x), semiannual, annual, single event.

Violation Base Penalty \$3,000

Three quarterly events are recommended from the period of August 31, 2011 (date registration expired) to March 28, 2012 (date registration was renewed).

Good Faith Efforts to Comply

25.0% Reduction \$750

Table for Good Faith Efforts: Extraordinary, Ordinary (marked with x), N/A.

Notes The Respondent achieved compliance by March 28, 2012.

Violation Subtotal \$2,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$3

Violation Final Penalty Total \$2,893

This violation Final Assessed Penalty (adjusted for limits) \$2,893

Economic Benefit Worksheet

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service
Case ID No. 44948
Reg. Ent. Reference No. RN105480404
Media Water Quality
Violation No. 1

Percent Interest 5.0
Years of Depreciation 15

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

Delayed Costs

Item Description	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				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$100	31-Aug-2011	28-Mar-2012	0.58	\$3	n/a	\$3
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to renew the registration. Date required is the date the registration expired. Final date is the date the registration was renewed.

Avoided Costs

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

Item Description	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

\$3

Screening Date 30-Aug-2012

Docket No. 2012-1829-SLG-E

PCW

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service

Policy Revision 2 (September 2002)

Case ID No. 44948

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN105480404

Media [Statute] Water Quality

Enf. Coordinator Cheryl Thompson

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 312.145(b)(4)(C)

Violation Description

Failed to submit a complete annual summary report of the transportation activities for the period of June 1, 2010 through May 31, 2011. Specifically, the amount of waste disposed from March 26, 2011 through April 26, 2011 (trip tickets nos. 0176 and 0188) at the City of Orange Wastewater Treatment Plant was incorrect. In addition, 4,820 gallons of waste was disposed from December 17, 2010 through January 15, 2011 (trip tickets nos. 076-091) that was not reported.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual					0%
Potential					

>> Programmatic Matrix

	Falsification			Percent
	Major	Moderate	Minor	
		x		5%

Matrix Notes

Greater than 30% but less than 70% of the rule requirement was not met

Adjustment \$9,500

\$500

Violation Events

Number of Violation Events 1 Number of violation days 69

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

Violation Base Penalty \$500

One single event is recommended.

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 \$500

Economic Benefit (EB) for this violation

Estimated EB Amount \$9

Statutory Limit Test

Violation Final Penalty Total \$609

This violation Final Assessed Penalty (adjusted for limits) \$609

Economic Benefit Worksheet

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service
Case ID No. 44948
Reg. Ent. Reference No. RN105480404
Media Water Quality
Violation No. 2

Percent Interest 5.0
Years of Depreciation 15

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

Delayed Costs

Item Description	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				0.00	\$0	n/a	\$0
Training/Sampling	\$100	1-Jul-2011	13-Mar-2013	1.70	\$9	n/a	\$9
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 submit a revised annual summary report. Date required is the date the report was due.
 Final date is the projected date of compliance.

Avoided Costs

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

Item Description	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 \$9

Screening Date 30-Aug-2012

Docket No. 2012-1829-SLG-E

PCW

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service

Policy Revision 2 (September 2002)

Case ID No. 44948

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN105480404

Media [Statute] Water Quality

Enf. Coordinator Cheryl Thompson

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 312.142(e)(2)

Violation Description

Failed to submit a new registration application when it's been determined that the existing registration does not adequately describe the operations or management methods. Specifically, the registration failed to include the City of Kenedy Wastewater Treatment Plant, where chemical toilet waste was being disposed.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual					0%
Potential					

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
			X	1%

Matrix Notes

Less than 30% of the rule requirement was not met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1 69 Number of violation days

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

Violation Base Penalty \$100

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$25

Before NOV NOV to EDRP/Settlement Offer

Extraordinary	
Ordinary	X
N/A	(mark with x)

Notes The Respondent achieved compliance by January 25, 2011.

Violation Subtotal \$75

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$53

Violation Final Penalty Total \$96

This violation Final Assessed Penalty (adjusted for limits) \$96

Economic Benefit Worksheet

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service

Case ID No. 44948

Reg. Ent. Reference No. RN105480404

Media Water Quality
Violation No. 3

Percent Interest 5.0
Years of Depreciation 15

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

Delayed Costs

Item Description	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				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)

Item Description	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]	\$50	17-Dec-2010	25-Jan-2011	1.02	\$3	\$50	\$53
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated cost to submit an accurate registration application. Date required is the date the violation began. Final date is the date of the Respondent ceased sending waste to the City of Kenedy.

Approx. Cost of Compliance \$50

TOTAL \$53



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

DATES	Assigned PCW	20-Aug-2012	Screening	30-Aug-2012	EPA Due	
		17-Sep-2012				

RESPONDENT/FACILITY INFORMATION			
Respondent	Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service		
Reg. Ent. Ref. No.	RN105480404		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	44948	No. of Violations	2
Docket No.	2012-1829-SLG-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Cheryl Thompson
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$15,500
---	-------------------	----------

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	20.0% Enhancement	Subtotals 2, 3, & 7	\$3,100
---------------------------	-------------------	--------------------------------	---------

Notes: Enhancement for one order with 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	\$1,550
--	-------------------	---------

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

Total EB Amounts	\$1
Approx. Cost of Compliance	\$105

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$17,050
-----------------------------	-----------------------	----------

OTHER FACTORS AS JUSTICE MAY REQUIRE

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$17,050
-----------------------------	----------

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$17,050
-----------------------------------	-------------------------------	----------

DEFERRAL	20.0% Reduction	Adjustment	-\$3,410
-----------------	-----------------	-------------------	----------

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

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$13,640
------------------------	----------

Screening Date 30-Aug-2012

Docket No. 2012-1829-SLG-E

PCW

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Ser

Policy Revision 3 (September 2011)

Case ID No. 44948

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN105480404

Media [Statute] Water Quality

Enf. Coordinator Cheryl Thompson

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>)	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>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<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%

Please Enter Yes or No

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) 20%

>> 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

Enhancement for one order with denial of liability.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 20%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 20%

Screening Date 30-Aug-2012

Docket No. 2012-1829-SLG-E

PCW

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service

Policy Revision 3 (September 2011)

Case ID No. 44948

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN105480404

Media [Statute] Water Quality

Enf. Coordinator Cheryl Thompson

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 312.142(c) and 312.144(a)(4)

Violation Description Failed to maintain a copy of the registration authorization in each vehicle and failed to place the Commission assigned registration number on both sides of the vehicles or receptacle.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0.0%
Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
	x			5.0%

Matrix Notes: Greater than 70% of the rule requirement was not met (11 out of 12 locations).

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 11 Number of violation days 68

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$13,750

Eleven single events are recommended, one for each vehicle.

Good Faith Efforts to Comply

10.0% Reduction \$1,375

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

Notes: The Respondent returned to compliance by August 29, 2012.

Violation Subtotal \$12,375

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$15,125

This violation Final Assessed Penalty (adjusted for limits) \$15,125

Economic Benefit Worksheet

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service

Case ID No. 44948

Reg. Ent. Reference No. RN105480404

Media Water Quality

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				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$55	22-Jun-2012	29-Aug-2012	0.19	\$1	n/a	\$1

Notes for DELAYED costs

Estimated cost to maintain a copy of the registration in each vehicle and to place the Commission assigned registration number on both sides of the vehicles or receptacle. Date required is the investigation date. Final date is 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

\$55

TOTAL

\$1

Screening Date 30-Aug-2012

Docket No. 2012-1829-SLG-E

PCW

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service

Policy Revision 3 (September 2011)

Case ID No. 44948

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN105480404

Media [Statute] Water Quality

Enf. Coordinator Cheryl Thompson

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 312.145(a)

Violation Description

Failed to maintain the required information on trip tickets. Specifically, trip ticket no. 0176 did not have the disposal facility information and trip ticket nos. 0051, 0207, 0209, 0214, 0128, and 0132 did not have the correct Commission registration number for the transporter.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
			x

Percent 1.0%

Matrix Notes

Less than 30% of the rule requirement was not met.

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events 7

69 Number of violation days

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

Violation Base Penalty \$1,750

Seven single events are recommended, one for each trip ticket.

Good Faith Efforts to Comply

10.0% Reduction

\$175

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

Notes

The Respondent achieved compliance by August 29, 2012.

Violation Subtotal \$1,575

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$1,925

This violation Final Assessed Penalty (adjusted for limits) \$1,925

Economic Benefit Worksheet

Respondent Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service
Case ID No. 44948
Reg. Ent. Reference No. RN105480404
Media Water Quality
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
<small>No commas or \$</small>							

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)	\$50	22-Jun-2012	29-Aug-2012	0.19	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to begin maintaining trip tickets with the required information. Date required is the investigation date. 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 \$50

TOTAL \$0

Compliance History Report

Customer/Respondent/Owner-Operator: CN603334491 Kendall Speight, INC. Classification: AVERAGE Rating: 32.00

Regulated Entity: RN105480404 HOOK-N-BULL OILFIELD SERVICE Classification: AVERAGE Site Rating: 32.00

ID Number(s): SLUDGE REGISTRATION 23982

Location: 5285 EXXON PLANT RD, ROBSTOWN, TX, 78380

TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: August 31, 2012

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 31, 2007 to August 31, 2012

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

Name: Cheryl Thompson Phone: (817) 588-5886

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. If YES, 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: 10/25/2010 ADMINORDER 2010-0851-SLG-E
Classification: Minor
Citation: 30 TAC Chapter 312, SubChapter G 312.145(b)(4)
Description: Failed to timely submit an Annual Summary Report of sludge transportation activities by July 1 for the previous period of June 1, 2007 through May 31, 2009. Specifically, the ASRs due on July 1, 2008 and July 1, 2009 were submitted to the TCEQ on December 3, 2009.
- Classification: Major
Citation: 30 TAC Chapter 312, SubChapter G 312.142(a)
Description: Failed to operate with a valid Sludge Transporter Registration. Specifically, after the registration expired on August 31, 2009, the Respondent continued to transport sludge.
- 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.)
(1016266)
- | | | |
|---|------------|----------|
| 1 | 08/14/2012 | |
| 2 | 08/29/2008 | (688305) |
| 3 | 05/12/2010 | (797850) |
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
N/A
- F. Environmental audits.
N/A
- G. Type of environmental management systems (EMSs).
N/A
- H. Voluntary on-site compliance assessment dates.
N/A
- I. Participation in a voluntary pollution reduction program.
N/A
- J. Early compliance.
N/A
- Sites Outside of Texas
N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN	§	BEFORE THE
ENFORCEMENT ACTION	§	
CONCERNING	§	
KENDALL SPEIGHT, INC. DBA	§	TEXAS COMMISSION ON
HOOK-N-BULL OILFIELD	§	
SERVICE	§	
RN105480404	§	ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2012-1829-SLG-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 361 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a sludge transportation service located at 5285 Exxon Plant Road in Robstown, Nueces County, Texas (the "Facility").
2. The Facility involves or involved the management of industrial solid waste as defined in TEX. HEALTH & SAFETY CODE ch. 361.
3. The Executive Director 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 August 19, 2012.
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 Twenty Thousand Six Hundred Forty-Eight Dollars (\$20,648) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Sixteen Thousand Five Hundred Nineteen Dollars (\$16,519) of the administrative penalty and Four Thousand One Hundred Twenty-Nine Dollars (\$4,129) 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.
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 and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has undertaken the following corrective actions:
 - a. On January 25, 2011, ceased sending waste to the City of Kenedy Wastewater Treatment Plant;
 - b. On March 28, 2012, renewed sludge transporter registration no. 23982;
 - c. By August 29, 2012:
 - i. Began maintaining a copy of the registration authorization in each vehicle operated under the registration;
 - ii. Painted the registration number on the second side of the trucks/tanks; and
 - iii. Began maintaining trip tickets with the required information.
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 submit an application to renew an existing TCEQ sludge transporter registration by June 15 of the year in which the registration expired, in violation of 30 TEX. ADMIN. CODE § 312.142(d), as documented during an investigation conducted on June 22, 2012. Specifically, sludge transporter registration no. 23982 expired on August 31, 2011 and the Respondent continued to transport chemical toilet waste from September 1, 2011 through March 27, 2012.
2. Failed to submit a complete annual summary report of the transportation activities for the period of June 1, 2010 through May 31, 2011, in violation of 30 TEX. ADMIN. CODE § 312.145(b)(4)(C), as documented during an investigation conducted on June 22, 2012. Specifically, the amount of waste disposed from March 26, 2011 through April 26, 2011 (trip tickets nos. 0176 and 0188) at the City of Orange Wastewater Treatment Plant was incorrect. In addition, 4,820 gallons of waste was disposed from December 17, 2010 through January 15, 2011 (trip tickets nos. 076-091) that was not reported.
3. Failed to maintain a copy of the registration authorization in each vehicle, in violation of 30 TEX. ADMIN. CODE § 312.142(c), as documented during an investigation conducted on June 22, 2012.
4. Failed to submit a new registration application when it's been determined that the existing registration does not adequately describe the operations or management methods, in violation of 30 TEX. ADMIN. CODE § 312.142(e)(2), as documented during an investigation conducted on June 22, 2012. Specifically, the registration failed to include the City of Kenedy Wastewater Treatment Plant, where chemical toilet waste was being disposed.
5. Failed to place the Commission assigned registration number on both sides of the vehicles or receptacle, in violation of 30 TEX. ADMIN. CODE § 312.144(a)(4), as documented during an investigation conducted on June 22, 2012.
6. Failed to maintain the required information on trip tickets, in violation of 30 TEX. ADMIN. CODE § 312.145(a), as documented during an investigation conducted on June 22, 2012. Specifically, trip ticket no. 0176 did not have the disposal facility information and trip ticket nos. 0051, 0207, 0209, 0214, 0128, and 0132 did not have the correct Commission registration number for the transporter.

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: Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service, Docket No. 2012-1829-SLG-E" to:

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

2. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order submit a revised annual summary report for the period of June 1, 2010 through May 31, 2011 to the Executive Director and a copy to the Corpus Christi Regional Office at the addresses shown below; and
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification of compliance with Ordering Provision 2.a. 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:

Manager, Water Section
Corpus Christi Regional Office
Texas Commission on Environmental Quality
NCR Building, Suite 1200
6300 Ocean Drive, Unit 5839
Corpus Christi, Texas 78412-5839

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. 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.
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 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.
6. 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.
7. 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.

8. 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.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Pam Davis
For the Executive Director

4/25/13
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.

Melissa Speight
Signature

4-2-2013
Date

Melissa Speight
Name (Printed or typed)
Authorized Representative of
Kendall Speight, Inc. dba Hook-N-Bull Oilfield Service

Vice President
Title

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