

Executive Summary – Enforcement Matter – Case No. 49114
Stone Oak Hidden Canyon, L.L.C.
RN102891918
Docket No. 2014-1128-EAQ-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

EAQ

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Hidden Canyon Subdivision, located on the west side of Canyon Golf Road, approximately 2,000 feet north of Stone Oak Parkway, San Antonio, Bexar County

Type of Operation:

Single family residential project

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: March 6, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$15,750

Amount Deferred for Expedited Settlement: \$3,150

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$12,600

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - High

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

**Executive Summary – Enforcement Matter – Case No. 49114
Stone Oak Hidden Canyon, L.L.C.
RN102891918
Docket No. 2014-1128-EAQ-E**

Investigation Information

Complaint Date(s): N/A
Complaint Information: N/A
Date(s) of Investigation: May 23, 2014
Date(s) of NOE(s): July 21, 2014

Violation Information

1. Failed to suspend regulated activities in the area of a sensitive feature after discovery. Specifically, trenching activities and stockpiling of soils occurred near the features located at Stations 25+95 and 26+00 on Majestic Bluff [30 TEX. ADMIN CODE § 213.5(f)(2) and Water Pollution Abatement Plan 13-13010401 Standard Conditions No. 10].
2. Failed to install temporary best management practices and measures. Specifically, the fiber rolls surrounding the sensitive features located at Stations 6+10, 6+25, and 7+50 on Rugged Hills were not installed in a manner that would keep sediment from entering sensitive features [30 TEX. ADMIN CODE §§ 213.4(k) and 213.5(c)(3)(L), and Water Pollution Abatement Plan 13-13010401 Standard Conditions No. 6].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

By August 6, 2014, the Respondent permanently capped the sensitive features located at Stations 6+10, 6+25, and 7+50 on Rugged Hills.

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days, submit solution feature closure plans for the features located at Stations 25+95 and 26+00 on Majestic Bluff for approval; and
- b. Within 45 days, submit written certification to demonstrate compliance with 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

**Executive Summary – Enforcement Matter – Case No. 49114
Stone Oak Hidden Canyon, L.L.C.
RN102891918
Docket No. 2014-1128-EAQ-E**

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Had Darling, Enforcement Division,
Enforcement Team 1, MC 169, (512) 239-2520; Candy Garrett, Enforcement Division,
MC 219, (512) 239-1456

TCEQ SEP Coordinator: N/A

Respondent: Barry Pulliam, President / Manager, Stone Oak Hidden Canyon, L.L.C.,
24165 IH-10 West, Suite 217-511, San Antonio, Texas 78257

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	28-Jul-2014	Screening	7-Aug-2014	EPA Due	
	PCW	25-Nov-2014				

RESPONDENT/FACILITY INFORMATION	
Respondent	Stone Oak Hidden Canyon, L.L.C.
Reg. Ent. Ref. No.	RN102891918
Facility/Site Region	13-San Antonio
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	49114	No. of Violations	2
Docket No.	2014-1128-EAQ-E	Order Type	1660
Media Program(s)	Edwards Aquifer	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Had Darling
		EC's Team	Enforcement Team 1
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$18,750
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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.

Compliance History	-10.0% Enhancement	Subtotals 2, 3, & 7	-\$1,875
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Notes: Reduction for high performer classification.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	-\$1,125
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$163
Estimated Cost of Compliance	\$4,845

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$15,750
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount \$15,750

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$15,750
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DEFERRAL	20.0% Reduction	Adjustment	-\$3,150
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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	\$12,600
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Screening Date 7-Aug-2014

Docket No. 2014-1128-EAQ-E

PCW

Respondent Stone Oak Hidden Canyon, L.L.C.

Policy Revision 4 (April 2014)

Case ID No. 49114

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102891918

Media [Statute] Edwards Aquifer

Enf. Coordinator Had Darling

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>)	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 judgments 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) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance History Notes

Reduction for high performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) -10%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% -10%

Screening Date 7-Aug-2014

Docket No. 2014-1128-EAQ-E

PCW

Respondent Stone Oak Hidden Canyon, L.L.C.

Policy Revision 4 (April 2014)

Case ID No. 49114

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102891918

Media [Statute] Edwards Aquifer

Enf. Coordinator Had Darling

Violation Number 1

Rule Cite(s) 30 Tex. Admin Code § 213.5(f)(2) and Water Pollution Abatement Plan No. 13-13010401 Standard Conditions No. 10

Violation Description Failed to suspend regulated activities in the area of a sensitive feature after discovery, as documented during an investigation conducted on May 23, 2014. Specifically, trenching activities and stockpiling of soils occurred near the features located at Stations 25+95 and 26+00 on Majestic Bluff.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				15.0%
Potential		x		

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes Human health or the environment will or could be exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 2 Number of violation days 76

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

Violation Base Penalty \$7,500

Two quarterly events are recommended (one for each location) from the May 23, 2014 investigation date to the August 7, 2014 screening date.

Good Faith Efforts to Comply

0.0%

Reduction \$0

	Before NOE/NOV	NOE/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 \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$144

Violation Final Penalty Total \$6,750

This violation Final Assessed Penalty (adjusted for limits) \$6,750

Economic Benefit Worksheet

Respondent Stone Oak Hidden Canyon, L.L.C.

Case ID No. 49114

Reg. Ent. Reference No. RN102891918

Media Edwards Aquifer

Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
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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	\$0	\$0
Record Keeping System				0.00	\$0	\$0	\$0
Training/Sampling				0.00	\$0	\$0	\$0
Remediation/Disposal				0.00	\$0	\$0	\$0
Permit Costs				0.00	\$0	\$0	\$0
Other (as needed)	\$3,000	23-May-2014	9-May-2015	0.96	\$144	\$0	\$144

Notes for DELAYED costs

Estimated cost to submit the solution feature closure plans for approval. Date required is the investigation date. 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

\$3,000

TOTAL

\$144

Screening Date 7-Aug-2014

Docket No. 2014-1128-EAQ-E

PCW

Respondent Stone Oak Hidden Canyon, L.L.C.

Policy Revision 4 (April 2014)

Case ID No. 49114

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102891918

Media [Statute] Edwards Aquifer

Enf. Coordinator Had Darling

Violation Number 2

Rule Cite(s) 30 Tex. Admin Code §§ 213.4(k) and 213.5(c)(3)(L), and Water Pollution Abatement Plan No. 13-13010401 Standard Conditions No. 6

Violation Description Failed to install temporary best management practices ("BMPs") and measures, as documented during an investigation conducted on May 23, 2014. Specifically, the fiber rolls surrounding the sensitive features located at Stations 6+10, 6+25, and 7+50 on Rugged Hills were not installed in a manner that would keep sediment from entering the sensitive features.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		X	

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 3

75 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$11,250

Three quarterly events (one for each location) are recommended from the May 23, 2014 investigation date to the August 6, 2014 date of compliance.

Good Faith Efforts to Comply

10.0%

Reduction \$1,125

Before NOE/NOV NOE/NOV to EDRP/Settlement Offer

Extraordinary	
Ordinary	X
N/A	(mark with x)

Notes The Respondent achieved compliance on August 6, 2014.

Violation Subtotal \$10,125

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$19

Violation Final Penalty Total \$9,000

This violation Final Assessed Penalty (adjusted for limits) \$9,000

Economic Benefit Worksheet

Respondent Stone Oak Hidden Canyon, L.L.C.
Case ID No. 49114
Reg. Ent. Reference No. RN102891918
Media Edwards Aquifer
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
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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)	\$1,845	23-May-2014	6-Aug-2014	0.21	\$19	n/a	\$19

Notes for DELAYED costs

Actual cost to permanently cap the sensitive features. 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

\$1,845

TOTAL

\$19



Compliance History Report

PENDING Compliance History Report for CN603399239, RN102891918, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator:	CN603399239, Stone Oak Hidden Canyon, L.L.C.	Classification: HIGH	Rating: 0.00
Regulated Entity:	RN102891918, HIDDEN CANYON SUBDIVISION	Classification: HIGH	Rating: 0.00
Complexity Points:	0	Repeat Violator: NO	
CH Group:	14 - Other		
Location:	On the west side of Canyon Golf Road, approximately 2,000 feet north of Stone Oak Parkway in San Antonio, Bexar County, Texas		
TCEQ Region:	REGION 13 - SAN ANTONIO		

ID Number(s):

EDWARDS AQUIFER PERMIT 13-02091801L	EDWARDS AQUIFER PERMIT 13-02091801J
EDWARDS AQUIFER PERMIT 13-02091801K	EDWARDS AQUIFER PERMIT 13-02091801M
EDWARDS AQUIFER PERMIT 13-02091801P	EDWARDS AQUIFER PERMIT 13-02091801
EDWARDS AQUIFER PERMIT 13-02091801F	EDWARDS AQUIFER PERMIT 13-02091801N
EDWARDS AQUIFER PERMIT 13-02091801G	EDWARDS AQUIFER PERMIT 13-02091801H
EDWARDS AQUIFER PERMIT 13-02091801I	EDWARDS AQUIFER PERMIT 13-02091801B
EDWARDS AQUIFER PERMIT 13-02091801C	EDWARDS AQUIFER PERMIT 13-02091801D
EDWARDS AQUIFER PERMIT 13-02091801E	EDWARDS AQUIFER PERMIT 13-02092501D
EDWARDS AQUIFER PERMIT 13-02091801O	EDWARDS AQUIFER PERMIT 13-12061801
EDWARDS AQUIFER PERMIT 13-13010401	EDWARDS AQUIFER PERMIT 13-14061101

Compliance History Period:	September 01, 2009 to August 31, 2014	Rating Year:	2014	Rating Date:	09/01/2014
Date Compliance History Report Prepared:	September 29, 2014				
Agency Decision Requiring Compliance History:	Enforcement				
Component Period Selected:	September 29, 2009 to September 29, 2014				

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Herbert Darling **Phone:** (512) 239-2520

Site and Owner/Operator History:

- 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 for #2, who is the current owner/operator? N/A
- 4) If YES for #2, 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

Components (Multimedia) for the Site Are Listed in Sections A - J

- A. Final Orders, court judgments, and consent decrees:**
N/A
- B. Criminal convictions:**
N/A
- C. Chronic excessive emissions events:**
N/A

D. The approval dates of investigations (CEEDS Inv. Track. No.):

N/A

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

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

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

Section II ("Allegations"). The Respondent has paid Twelve Thousand Six Hundred Dollars (\$12,600) of the administrative penalty and Three Thousand One Hundred Fifty Dollars (\$3,150) 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 recognized that by August 6, 2014, the Respondent permanently capped the sensitive features located at Stations 6+10, 6+25, and 7+50 on Rugged Hills.
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 of the Site, the Respondent is alleged to have:

1. Failed to suspend regulated activities in the area of a sensitive feature after discovery, in violation of 30 TEX. ADMIN CODE § 213.5(f)(2) and Water Pollution Abatement Plan 13-13010401 Standard Conditions No. 10, as documented during an investigation conducted on May 23, 2014. Specifically, trenching activities and stockpiling of soils occurred near the features located at Stations 25+95 and 26+00 on Majestic Bluff.
2. Failed to install temporary best management practices ("BMPs") and measures, in violation of 30 TEX. ADMIN CODE §§ 213.4(k) and 213.5(c)(3)(L), and Water Pollution Abatement Plan 13-13010401 Standard Conditions No. 6, as documented during an investigation conducted on May 23, 2014. Specifically, the fiber rolls surrounding the sensitive features located at Stations 6+10, 6+25, and 7+50 on Rugged Hills were not installed in a manner that would keep sediment from entering sensitive features.

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: Stone Oak Hidden Canyon, L.L.C., Docket No. 2014-1128-EAQ-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 solution feature closure plans for the features located at Stations 25+95 and 26+00 on Majestic Bluff for approval to:

San Antonio Regional Office
Texas Commission on Environmental Quality
14250 Judson Road
San Antonio, Texas 78233

- b. Within 45 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. 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:

Water Section Manager
San Antonio Regional Office
Texas Commission on Environmental Quality
14250 Judson Road
San Antonio, Texas 78233-4480

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 Site 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

Perry Maxwell
For the Executive Director

5/4/15
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.

Barry Pailain
Signature

1/27/15
Date

Barry Pailain
Name (Printed or typed)
Authorized Representative of
Stone Oak Hidden Canyon, L.L.C.

Manager/President
Title

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