

**ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,  
DIVISION OF ENVIRONMENTAL QUALITY**

IN THE MATTER OF:

AFIN: 70-00039

LIS No. 25-061

MARTIN OPERATING PARTNERSHIP L.P.  
484 EAST 6TH STREET  
SMACKOVER, ARKANSAS 71762

**CONSENT ADMINISTRATIVE ORDER**

This Consent Administrative Order (CAO) is issued pursuant to the authority delegated under the federal Clean Air Act, 42 U.S.C. § 7401 *et seq.*, and the federal regulations issued thereunder. In addition, this CAO is issued pursuant to the authority of the Arkansas Water and Air Pollution Control Act (the Act), Ark. Code Ann. § 8-4-101 *et seq.*, Arkansas Pollution Control and Ecology Commission (APC&EC) Rule 7, now codified at 8 CAR § 10-101 *et seq.*, APC&EC Rule 8 (8 CAR § 11-101 *et seq.*), APC&EC Rule 18 (8 CAR § 40-101 *et seq.*), APC&EC Rule 19 (8 CAR § 41-101 *et seq.*), and APC&EC Rule 26 (8 CAR § 42-101 *et seq.*).

The issues herein having been settled by agreement of Martin Operating Partnership L.P. (Respondent) and the Director of the Division of Environmental Quality (DEQ), it is hereby agreed and stipulated that the following FINDINGS OF FACT and ORDER AND AGREEMENT be entered.

**FINDINGS OF FACT**

1. Respondent owns and operates a produced naphthenic crude oil processing refinery located at 484 East 6th Street in Smackover, Union County, Arkansas.
2. There are two air permits referenced in this CAO. 1227-AOP-R7 (Permit R7) was

issued on July 12, 2019, and voided on December 14, 2023. 1227-AOP-R8 (Permit R8) was issued on December 14, 2023, and voided on September 11, 2024.

3. Ark. Code Ann. § 8-4-217(a)(3) provides:

(a) It shall be unlawful for any person to:

...

(3) Violate any provisions of this chapter or of any rule or order adopted by the Arkansas Pollution Control and Ecology Commission under this chapter or of a permit issued under this chapter by DEQ;

4. Ark. Code Ann. § 8-4-103(c)(1)(A) provides, “Any person that violates any provision of this chapter and rules, permits, or plans issued pursuant to this chapter may be assessed an administrative civil penalty not to exceed ten thousand dollars (\$10,000) per violation.”

5. Pursuant to Ark. Code Ann. § 8-4-103(c)(1)(B) as referenced by Ark. Code Ann. § 8-4-304, “Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment.”

6. On April 11, 2024, DEQ personnel conducted a routine compliance inspection of Respondent’s facility. The reporting period for this inspection was May 2022 through February 2024.

7. Specific Condition 72 of Permit R7 and Permit R8 states Respondent shall not exceed a throughput of 165,257,400 gallons of treated lube oil at the Refinery Treated Oil Lube Storage Tanks (SN-27i) per rolling 12-month period.

8. According to the Semi-Annual Monitoring (SAM) Report submitted on April 1, 2024, and the records reviewed during the inspection, Respondent exceeded the throughput limit at SN-27i for December 2023 with 166,008,021 gallons, January 2024 with 168,164,980 gallons, and February 2024 with 170,079,956 gallons. Such acts violate Specific Condition 72 of Permit R7 and Permit R8

and therefore violate Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

9. Specific Condition 101 of Permit R7 and Permit R8 states Respondent shall conduct daily observations of the opacity at the Flare (SN-40) and keep a record of these observations. SN-40 shall be designed for and operated with no visible emissions, except for periods not to exceed a total of five (5) minutes during two (2) consecutive hours. EPA reference method 22 (“Method 22”) shall be used to determine compliance with the visible emissions of the Flare.

10. According to the Annual Compliance Certification (ACC) Reports submitted on April 1, 2023, and April 1, 2024, and the records reviewed during the inspection, it was found that Respondent failed to conduct twenty-one (21) Method 22 observations at SN-40 from May 14, 2022 to January 1, 2024. Such failures violate Specific Condition 101 of Permit R7 and Permit R8 and therefore violate Ark. Code Ann. § 8-4-217(a)(3) as referenced by Ark. Code Ann. § 8-4-304.

11. In correspondence dated May 1, 2024, DEQ personnel informed Respondent of violations found during the inspection.

12. In correspondence dated May 29, 2024, Respondent provided a response to the letter dated May 1, 2024. In this response, Respondent stated they would be submitting a minor permit modification application to address the violations of Specific Condition 72. Further, Respondent stated that they would conduct refresher training for the seven (7) employees tasked with the duty of conducting the daily opacity observations on SN-40.

13. On June 9, 2024, Respondent submitted a permit modification application to increase the throughput limit for SN-27i. Permit 1227-AOP-R9 was issued on September 11, 2024.

14. In correspondence dated July 2, 2024, DEQ informed Respondent that formal enforcement action was proceeding regarding this matter.

## ORDER AND AGREEMENT

WHEREFORE, Respondent, neither admitting nor denying the factual and legal allegations contained in this CAO, and DEQ do hereby agree and stipulate as follows:

1. Within 15 days of the effective date of this CAO, if not already done so, Respondent shall take part in a Method 22 opacity training course as referenced in Paragraph 12 in the FINDINGS OF FACT.

2. Within 30 days of the effective date of this CAO, Respondent shall submit certifications of the completed opacity training referenced in Paragraph of 12 of the FINDINGS OF FACT.

3. In compromise and full settlement of the violations specified in the FINDINGS OF FACT, Respondent agrees to pay a civil penalty of **FIVE THOUSAND EIGHT HUNDRED DOLLARS (\$5,800.00)**, of which ten percent (10%) shall be paid as reimbursement to DEQ for administrative costs associated with the Order. Payment is due within thirty (30) calendar days after the effective date of this CAO. Such payment shall be made payable to:

DEQ, Fiscal Services  
5301 Northshore Drive  
North Little Rock, Arkansas 72118-5317.

In the event that Respondent fails to pay the civil penalty within the prescribed time, DEQ shall be entitled to attorneys' fees and costs associated with collection.

4. All applicable submissions required by this CAO are subject to approval by DEQ. In the event of any deficiency, Respondent shall, within fifteen (15) calendar days of notification by DEQ, submit any additional information requested. Failure to respond adequately to the notice of deficiency within fifteen (15) calendar days constitutes a failure to meet a deadline and is subject to

the civil penalties established in the following Paragraph.

5. Failure to meet the limits, requirements, or deadlines of this CAO or the applicable approved schedules provided for herein constitutes a violation of this CAO. If Respondent fails to meet any limits, requirements, or deadlines, Respondent shall pay, on demand, to DEQ civil penalties according to the following schedule:

(a) First day through the fourteenth day:	\$100 per day
(b) Fifteenth day through the thirtieth day:	\$500 per day
(c) More than thirty days:	\$1000 per day

Stipulated penalties shall be paid within thirty (30) calendar days of receipt of DEQ's demand to Respondent for such penalties. These stipulated penalties may be imposed for delay in scheduled performance and shall be in addition to any other remedies or sanctions that may be available to DEQ by reason of Respondent's failure to comply with the requirements of this CAO. DEQ reserves its rights to collect other penalties and fines pursuant to its enforcement authority in lieu of the stipulated penalties set forth above.

6. If any event, including, but not limited to, an occurrence of nature, causes or may cause a delay in the achievement of compliance by Respondent with the requirements or deadlines of this CAO, Respondent shall notify DEQ in writing as soon as reasonably possible after it is apparent that a delay will result, but in no case after the due dates have passed. The notification shall describe in detail the anticipated length of the delay, the precise cause of the delay, the measures being taken and to be taken to minimize the delay, and the timetable by which those measures will be implemented.

7. DEQ may grant an extension of any provision of this CAO, provided that Respondent requests such an extension in writing and provided that the delay or anticipated delay has or will be

caused by circumstances beyond the control of and without the fault of Respondent. The time for performance may be extended for a reasonable period, but in no event longer than the period of delay resulting from such circumstances. The burden of proving that any delay is caused by circumstances beyond the control of and without the fault of Respondent and the length of the delay attributable to such circumstances shall rest with Respondent. Failure to notify DEQ promptly, as provided in the previous Paragraph of the ORDER AND AGREEMENT, shall be grounds for a denial of an extension.

8. This CAO is subject to public review and comment in accordance with Ark. Code Ann. § 8-4-103(d), and therefore is not effective until thirty (30) calendar days after public notice of the CAO is given. DEQ retains the right and discretion to rescind this CAO based on comments received within the thirty (30) day public comment period.

9. As provided by APC&EC Rule 8, now codified at 8 CAR § 11-101, *et seq.*, this matter is subject to being reopened upon Commission initiative or in the event a petition to set aside this CAO is granted by the Commission.

10. Nothing contained in this CAO shall relieve Respondent of any obligations imposed by any other applicable local, state, or federal laws. Except as specifically provided herein, nothing contained in this CAO shall be deemed in any way to relieve Respondent of responsibilities contained in the permit.

11. Nothing in this CAO shall be construed as a waiver by DEQ of its enforcement authority over alleged violations not specifically addressed herein. In addition, this CAO neither exonerates Respondent from any past, present, or future conduct that is not expressly addressed herein, nor relieves Respondent of the responsibilities for obtaining any necessary permits.

12. By virtue of the signature appearing below, the individual represents that he or she is a General Partner of Respondent, being duly authorized to execute and bind Respondent to the terms contained herein. Execution of this CAO by an individual other than a General Partner of Respondent shall be accompanied by a resolution granting signature authority to that individual as duly ratified by all general partners of the entity.

SO ORDERED THIS 12 DAY OF August, 2025.

Bailey Taylor  
BAILEY TAYLOR  
CHIEF ADMINISTRATOR OF ENVIRONMENT AND DEQ DIRECTOR  
ARKANSAS DEPARTMENT OF ENERGY & ENVIRONMENT

APPROVED AS TO FORM AND CONTENT:

MARTIN OPERATING PARTNERSHIP L.P.

BY: Brian Ricker (Signature)

Brian Ricker (Typed or printed name)

TITLE: VP Refinery Operations

DATE: 8-4-25