

**ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT,
DIVISION OF ENVIRONMENTAL QUALITY (DEQ)**

IN THE MATTER OF:

AFIN: 16-00914

Case #: SD-25-0008

Murphy Oil USA, Inc.
US Highway 63 and County Road 147
BONO, AR, 72401

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.*, 8 Code of Arkansas Rules (CAR) pt. 10, 8 CAR pt. 11, 8 CAR pt. 40, and 8 CAR pt. 41.

The issues herein having been settled by agreement of Murphy Oil USA, Inc. (Respondent) and the Director of the Arkansas Department of Energy and Environment, 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 bulk petroleum storage terminal located at the corner of Highway 63 and County Road 147, Bono, Craighead County, Arkansas.
2. The Air Permit referenced in this CAO is 2105-AR-8 (the Permit). The Permit was issued on June 20, 2023.
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 the Division of Environmental Quality.

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), “Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment.”
6. On April 18, 2025, Respondent requested consideration under DEQ’s Environmental Self-Disclosure Incentive Policy for Respondent’s disclosure of non-compliance issues associated with Respondent’s site.
7. Respondent’s self-disclosure did not meet the requirements for penalty mitigation under DEQ’s Environmental Self-Disclosure Incentive Policy, because it was not submitted within 21 calendar days of discovery of the violation.
8. Respondent submitted a permit application on May 6, 2025, and it was deemed administratively complete on May 7, 2025. This application seeks to allow the storage of ethyl tert-butyl ether (ETBE) in storage tank B-1.
9. List of Violations:
 - (a) Emitting an unpermitted pollutant. (8 CAR § 41-203(2) and 8 CAR § 41-304(c))

Pursuant to Ark. Code Ann. § 8-4-310(a)(2), it is unlawful to construct, install, use, or operate any source capable of emitting air contaminants without first having obtained

a permit to do so.

General Condition 16 of the Permit authorizes only the pollutant emitting activities addressed in the Permit.

Respondent self-disclosed that it failed to submit a permit modification application before storing ethyl tert-butyl ether (ETBE) in storage tank B-1, which violates Ark. Code Ann. § 8-4-310(a)(2) and General Condition 16 of the Permit.

ORDER AND AGREEMENT

WHEREFORE, the parties stipulate and agree as follows:

1. Until such time that Permit 2105-AR-9 is issued, Respondent shall operate in accordance with the permit application submitted on May 6, 2025.
2. In compromise and full settlement of the violations specified in the FINDINGS OF FACT, Respondent agrees to pay a civil penalty of EIGHT HUNDRED DOLLARS (\$800.00), or one-half of the penalty, FOUR HUNDRED DOLLARS (\$400.00) if this CAO is signed and returned to DEQ within twenty (20) calendar days of receipt of this CAO. Ten percent (10%) of the total penalty shall be paid as reimbursement to DEQ for administrative costs associated with this CAO. Payment is due within thirty (30) calendar days after the effective date of this CAO. Payment can be made online using the Financials tab of your site in SEEK or mailed in by check. Paper check payments require the Compliance Action Number be referenced in the memo line of the check and be made payable to: DEQ, Fiscal Division, 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.

3. All requirements of this CAO are subject to approval by DEQ. In the event of any deficiency; Respondent shall, within the timeframe specified by DEQ, submit any additional information or changes requested, or take additional actions specified by DEQ to correct any such deficiencies. Failure to respond adequately to the notice of deficiency within the timeframe specified by DEQ constitutes a failure to meet the requirements established by this CAO and is subject to the civil penalties established in the following Paragraph.
4. Failure to meet any term(s) of this CAO or the applicable approved schedules provided for herein constitutes a violation of this CAO. If Respondent fails to meet any term(s) of this CAO, 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:	\$1,000 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.

5. 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.

6. 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.
7. 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. Notwithstanding the public notice requirements, the corrective actions necessary to achieve compliance shall be taken immediately.
8. As provided by 8 CAR pt. 11, this matter is subject to being reopened upon Pollution Control and Ecology Commission (Commission) initiative or in the event a petition to set aside this CAO is granted by the Commission.
9. 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.

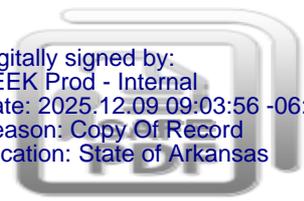
10. Nothing in this CAO shall be construed as a waiver by DEQ of its enforcement authority over alleged violations not specifically addressed herein. In addition, this CAO neither exonerates Respondent from any past, present, or future conduct that is not expressly addressed herein, nor relieves Respondent of the responsibilities for obtaining any necessary permits.
11. The individual signing this CAO represents that he or she is an Officer of Respondent, being duly authorized to execute and bind Respondent to the terms contained herein. Execution of this CAO by an individual other than an Officer of Respondent shall be accompanied by a resolution granting signature authority to that individual as duly ratified by the governing body of the entity.

Consent Administrative Order - Approval Form

version 1.7

(Submission #: HQH-3KEG-43ANA, version 1)

Digitally signed by:
SEEK Prod - Internal
Date: 2025.12.09 09:03:56 -06:00
Reason: Copy Of Record
Location: State of Arkansas



Details

Submission ID HQH-3KEG-43ANA

Form Input

Consent Administrative Order

Case Number

SD-25-0008

Consent Administrative Order Attachment

ENF - CAO.pdf - 11/14/2025 10:34 AM

Comment

NONE PROVIDED

Agreements and Signature(s)

SUBMISSION AGREEMENTS

- I am the owner of the account used to perform the electronic submission and signature.
- I have the authority to submit the data on behalf of the facility I am representing.
- I agree that providing the account credentials to sign the submission document constitutes an electronic signature equivalent to my written signature.
- I have reviewed the electronic form being submitted in its entirety, and agree to the validity and accuracy of the information contained within it to the best of my knowledge.

Respondent Signatory Authority

I certify that I am authorized to execute this CAO and to legally bind Respondent to its terms and conditions.

Signed By Kerry Wilkinson on 11/17/2025 at 7:38 AM

Chief Administrator of Environment and DEQ Director, Arkansas Department of Energy and Environment

This CAO is agreed to and ordered as of the date of my signature.

Signed By Bailey Taylor on 12/09/2025 at 9:03 AM