



STATE OF MISSISSIPPI
PHIL BRYANT
GOVERNOR
MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY
TRUDY D. FISHER, EXECUTIVE DIRECTOR

June 20, 2013

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Mr. Randy Robichaux
Denbury Onshore LLC, Tinsley Central Facility
5320 Legacy Drive
Plano, TX 75024

**Re: Denbury Onshore LLC, Tinsley Central Facility
Agreed Order No. 6273 13**

Dear Mr. Robichaux:

Enclosed you will find a copy of Agreed Order No. 6273 13, which has been executed by the Executive Director of the Mississippi Department of Environmental Quality, Trudy Fisher, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope to the MDEQ Fees Division at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Chris Wells at (601) 961-5545.

Sincerely,

A handwritten signature in blue ink that reads "Chris Sanders" with a stylized "for" written below it.

Chris Sanders, P.E.
Chief, Environmental Compliance and Enforcement Division

Enclosure
cc: Chris Wells

Agency Interest No. 35323
ENF20120002

OFFICE OF POLLUTION CONTROL

BEFORE THE MISSISSIPPI COMMISSION
ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON
ENVIRONMENTAL QUALITY

COMPLAINANT

VS.

ORDER NO. 6 273 13

DENBURY ONSHORE LLC
5320 LEGACY DRIVE
PLANO, TEXAS 75024

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and Denbury Onshore LLC, Respondent, in the above captioned cause and agree as follows:

1.

Respondent is the owner of crude oil recovery operations at the Tinsley Oil & Gas Field located in Yazoo County, Mississippi. On or about August 9, 2011, Respondent's personnel discovered carbon dioxide gas, crude oil, and/or other associated operational fluids releasing in the vicinity of Lank Smith #3 well. Respondent's personnel and affiliated contractors responded to the release but were unable to ultimately stop the release until September 14, 2011. By letter dated October 15, 2012, Respondent was contacted by Complainant and notified of the following violations as a result of the release:

- A. Pollution and/or placement of wastes or other products or substances in a location where they are likely to cause pollution of the air of the State in violation of Miss. Code Ann. § 49-17-29(1)(a).
- B. Pollution and/or placement of wastes in a location where they are likely to cause

pollution of waters of the State in violation of Miss. Code Ann. § 49-17-29(2)(a).

As a result of groundwater impacts from the release, Respondent and Complainant entered into Administrative Order No. 6063 11, executed on December 12, 2011, as part of MDEQ's Voluntary Evaluation Program to delineate and monitor groundwater contaminant levels and migration.

2.

In lieu of a formal enforcement hearing concerning the violation(s) listed above, Complainant and Respondent agree to settle this matter as follows:

- A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$662,500. Respondent shall pay this penalty to MDEQ within forty-five (45) days after this Agreed Order has been executed by the MDEQ Executive Director. The settlement payment shall be submitted to:

Mississippi Department of Environmental Quality
Attn: Mona Varner
P.O. Box 2339
Jackson, MS 39225

3.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

4.


Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

5.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. Section 49-17-31 (Rev. 2003), and that it has made an informed waiver of that right.

ORDERED, this the 20 day of June, 2013.

MISSISSIPPI COMMISSION ON
ENVIRONMENTAL QUALITY

BY: 
TRUDY D. FISHER
EXECUTIVE DIRECTOR
MISSISSIPPI DEPARTMENT
OF ENVIRONMENTAL QUALITY

AGREED, this the 10th day of June, 2013.

DENBURY ONSHORE LLC, TINSLEY CENTRAL FACILITY

BY: J.P. Webb RAB

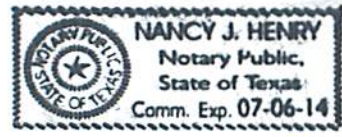
TITLE: VP-East Region

STATE OF TEXAS

COUNTY OF COLLIN

PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named J. Phillip Webb who first being duly sworn, did state upon his/her oath and acknowledge to me that he/she is the Vice President-East Region of Denbury Onshore LLC, Tinsley Central Facility and is authorized to sign and enter this Agreement.

SWORN AND SUBSCRIBED BEFORE ME, this the 10th day of June, 2013.



Nancy J. Henry
NOTARY PUBLIC

My Commission expires: 07-06-14