#### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 6 1201 Elm Street, Suite 500 Dallas, Texas 75270

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In the Matter of	
Puralize Cleaning Products, LLC, and DrillChem Drilling Solutions, LLC.	

**Respondents.** 

**Docket No. FIFRA-06-2021-0313** 

#### **CONSENT AGREEMENT AND FINAL ORDER**

#### **Preliminary Statement**

The U.S. Environmental Protection Agency, Region 6 ("EPA" or "Complainant"), and Puralize Cleaning Products, LLC and DrillChem Drilling Solutions, LLC ("Respondents") have agreed to a settlement of this action before the filing of a complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. §§ 22.13(b) and 22.18(b)(2).

#### **Jurisdiction**

1. This proceeding is an administrative action for the assessment of civil penalties instituted pursuant to Section 14 of the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. § 136*l*.

2. This Consent Agreement and Final Order serves as notice that the EPA has reason to believe that Respondent has violated Section 12 of FIFRA, 7 U.S.C. § 136j.

# **Parties**

3. Complainant is the Director of Enforcement and Compliance Assurance Division of the EPA, Region 6, as duly delegated by the Administrator of the EPA and the Regional Administrator, EPA, Region 6.

4. Respondent Puralize Cleaning Products, LLC is a company formed in the state of Texas and conducting business in the state of Texas.

5. Respondent DrillChem Drilling Solutions, LLC is a company formed in the state of Louisiana and conducting business in the state of Texas.

## **Statutory and Regulatory Background**

6. Congress enacted FIFRA, 7 U.S.C. 136 et. seq., in 1947 and amended it in 1972 and in 1996. The general purpose of FIFRA is to provide the basis for regulation, sale, distribution and use of pesticides in the United States.

7. Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), states that it shall be unlawful for any person to distribute or sell any pesticide that is not registered under Section 3 of FIFRA, 7 U.S.C. § 136a, or whose registration has been cancelled or suspended.

8. Pursuant to the regulation at 40 C.F.R. § 152.15, in relevant part, no person may distribute or sell any pesticide product that is not registered under the Act, except as provided in 40 C.F.R. §§ 152.20, 152.25, and 152.30. A pesticide is any substance (or mixture of substances) intended for a pesticidal purpose, i.e., use for the purpose of preventing, destroying, repelling, or mitigating any pest or use as a plant regulator, defoliant, or desiccant. A substance is considered to be intended for a pesticidal purpose, and thus to be a pesticide requiring registration, if the person who distributes or sells the substance claims, states, or implies (by labeling or otherwise)

that the substance (either by itself or in combination with any other substance) can or should be used as a pesticide.

9. Section 14(a)(1) of FIFRA, 7 U.S.C. § 136*l*(a)(1), authorizes a civil penalty of not more than \$5,000 for each offense. The Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701, as amended, and the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, 28 U.S.C. § 2461, and implementing regulations at 40 C.F.R. Part 19, increased these statutory maximum penalties to \$20,528 for violations that occur after November 2, 2015, and for which penalties are assessed on or after January 13, 2020.

## **Definitions**

10. Section 2(s) of FIFRA, 7 U.S.C. § 136(s), defines "person" to mean any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.

11. Section 2(u) of FIFRA, 7 U.S.C. § 136(u), defines "pesticide" to mean any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.

12. Section 2(t) of FIFRA, 7 U.S.C. § 136(t), defines "pest" to mean (1) any insect, rodent, nematode, fungus, weed, or (2) any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other micro-organism on or in living man or other living animals) which the Administrator declares to be a pest under Section 25(c)(1).

13. Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), defines "to distribute or sell" to mean to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship,

deliver for shipment, release for shipment, or receive and (having so received) deliver or offer to deliver.

### **EPA Findings of Fact and Conclusions of Law**

14. Respondents are, and at all times referred to herein were, each a "person" as defined by Section 2(s) of FIFRA, 7 U.S.C. § 136(s).

15. On or about December 2020, the EPA conducted an investigation of Respondents' compliance with FIFRA and the federal regulations promulgated thereunder (the "Investigation"). As part of the Investigation, the EPA requested, and Respondents provided documentation and information concerning Respondents' distribution of pesticidal products.

16. Beginning on or about April 13, 2020, Respondents distributed or sold, as those terms are defined by Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), a product known as Puralize DD (the Product).

17. Labeling for the Product states that the Product "Kills 99.9% of Viruses & Bacteria."

18. Viruses and bacteria are "pests" as that term is defined by Section 2(t) of FIFRA,7 U.S.C. § 136(t).

The Product is a "pesticide" as that term is defined by Section 2(u) of FIFRA, 7
U.S.C. § 136(u), because it is a substance intended for preventing, destroying, repelling, or mitigating pests.

20. The Product is a "pesticide" as that term is further defined by 40 C.F.R. § 152.15, which requires registration pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a, because it is a substance intended for pesticidal purposes for which Respondents stated by labeling when distributing and selling the Product that the Product can or should be used as a pesticide.

21. At the time the Product was distributed or sold by Respondents, the Product was not registered pursuant to Section 3 of FIFRA, 7 U.S.C. § 136a.

22. On January 3, 2021, the EPA sent Respondent a Notice of Potential Violation and Opportunity to Confer letter. On January 12, 2021, the EPA responded to the documentation and information received from Respondent as a result of the opportunity to confer and articulated the EPA's position concerning Respondent's compliance with FIFRA.

## **EPA Findings of Violation**

23. The facts stated in the EPA Findings of Fact and Conclusions of Law above are herein incorporated.

24. Complainant hereby states and alleges that Respondents have violated FIFRA and federal regulations promulgated thereunder as follows:

### **Counts 1 - 56**

25. At the time that Respondents distributed the Product, Respondents claimed, stated or implied (by labeling or otherwise) that the Product could or should be used as a pesticide; requiring registration of the Product under Section 3 of FIFRA, 7 U.S.C. § 136a and pursuant to the regulation at 40 C.F.R. § 152.15.

26. At the time that Respondent distributed the Products, the Products were not registered under Section 3 of FIFRA, 7 U.S.C. § 136a.

27. Respondent distributed the unregistered products on fifty-six occasions.

28. Each distribution or sale of the Product, when not registered under Section 3 of FIFRA, 7 U.S.C. § 136a, was a violation of Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A).

## **CONSENT AGREEMENT**

29. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2),

Respondents:

- a. admit the jurisdictional allegations set forth herein;
- b. neither admit nor deny the specific factual allegations stated herein;
- c. consent to the assessment of a civil penalty, as stated herein;
- d. consent to the issuance of any specified compliance or corrective action order;
- e. consent to any conditions specified herein;
- f. consent to any stated Permit Action;
- g. waive any right to contest the allegations set forth herein; and
- h. waive their rights to appeal the Final Order accompanying this Consent Agreement.

30. Respondents consent to the issuance of this Consent Agreement and Final Order and consent for the purposes of settlement to the payment of the civil penalty specified herein.

31. Respondents and EPA agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorneys' fees.

# **Penalty Payment**

32. Respondents agree that, in settlement of the claims alleged herein, Respondents shall pay a civil penalty of thirty-three thousand nine hundred and four dollars (\$33,904.00), as set forth below.

33. Respondents shall pay the penalty within thirty (30) days of receiving notice of the effective date of the Final Order. Such payment shall identify Respondents by name and

docket number and shall be by certified or cashier's check made payable to the "United States

Treasury" and sent to:

U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center PO Box 979077 St. Louis, Missouri 63197-9000

or by alternate payment method described at http://www.epa.gov/financial/makepayment.

34. A copy of the check or other information confirming payment shall

simultaneously be sent to the following:

Lorena S. Vaughn Regional Hearing Clerk U.S. Environmental Protection Agency, Region 6 vaughn.lorena@epa.gov; and

Lee McMillan Enforcement and Compliance Assurance Division Waste Enforcement Branch U.S. Environmental Protection Agency, Region 6 Mcmillan.lee@epa.gov

35. Respondents understand that their failure to timely pay any portion of the civil

penalty may result in the commencement of a civil action in Federal District Court to recover the full remaining balance, along with penalties and accumulated interest. In such case, interest shall begin to accrue on a civil or stipulated penalty from the date of delinquency until such civil or stipulated penalty and any accrued interest are paid in full. 31 C.F.R. § 901.9(b)(1). Interest will be assessed at a rate of the United States Treasury Tax and loan rates in accordance with 31 U.S.C. § 3717. Additionally, a charge will be assessed to cover the costs of debt collection including processing and handling costs, and a non-payment penalty charge of six percent (6%) per year compounded annually will be assessed on any portion of the debt which remains delinquent more than ninety (90) days after payment is due. 31 U.S.C. § 3717(e)(2).

### Effect of Settlement and Reservation of Rights

36. Full payment of the penalty proposed in this Consent Agreement shall only resolve Respondents' liability for federal civil penalties for the violations alleged herein. Complainant reserves the right to take any enforcement action with respect to any other violations of the FIFRA or any other applicable law.

37. The effect of settlement described in the immediately preceding paragraph is conditioned upon the accuracy of Respondents' representations to the EPA, as memorialized in paragraph directly below.

38. Respondents certify by the signing of this Consent Agreement that they are presently in compliance with all requirements of FIFRA and its implementing regulations.

39. Full payment of the penalty proposed in this Consent Agreement shall not in any case affect the right of the Agency or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Consent Agreement and Final Order does not waive, extinguish or otherwise affect Respondent's obligation to comply with all applicable provisions of the FIFRA and regulations promulgated thereunder.

40. Complainant reserves the right to enforce the terms and conditions of this Consent Agreement and Final Order.

### **General Provisions**

41. By signing this Consent Agreement, the undersigned representative of Respondents certify that he or she is fully authorized to execute and enter into the terms and conditions of this Consent Agreement and has the legal capacity to bind the party it represents to this Consent Agreement. 42. This Consent Agreement shall not dispose of the proceeding without a final order from the Regional Judicial Officer or Regional Administrator ratifying the terms of this Consent Agreement. This Consent Agreement and Final Order shall be effective upon the filing of the Final Order by the Regional Hearing Clerk for EPA, Region 6. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

43. The penalty specified herein shall represent civil penalties assessed by EPA and shall not be deductible for purposes of Federal, State and local taxes.

44. This Consent Agreement and Final Order shall apply to and be binding upon Respondents and Respondents' agents, successors and/or assigns. Respondents shall ensure that all contractors, employees, consultants, firms, or other persons or entities acting for Respondents with respect to matters included herein comply with the terms of this Consent Agreement and Final Order.

45. The EPA and Respondents agree to the use of electronic signatures for this matter pursuant to 40 C.F.R. § 22.6. The EPA and Respondents further agree to electronic service of this Consent Agreement and Final Order by email to the following:

To EPA: <u>mills.clarissa@epa.gov</u>;

pittman.lawrence@epa.gov

To Respondent: bhayes@drillchem.com

# **RESPONDENT: PURALIZE CLEANING PRODUCTS, LLC**

Date: \_\_\_\_\_

Signature

Name

Title

# **RESPONDENT: DRILLCHEM DRILLING SOLUTIONS, LLC**

Date:

Signature

Name

Title

COMPLAINANT: U.S. ENVIRONMENTAL PROTECTION AGENCY

Date:

Cheryl T. Seager Director Enforcement and Compliance Assurance Division U.S. EPA, Region 6

# FINAL ORDER

Pursuant to Section 14(a) of FIFRA, 7 U.S.C. § 136*l*(a), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/ Termination or Suspension of Permits, 40 C.F.R. Part 22, the foregoing Consent Agreement resolving this matter is hereby ratified and incorporated by reference into this Final Order.

Respondents are ORDERED to comply with all of the terms of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), the effective date of the foregoing Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk.

This Final Order shall resolve only those causes of action alleged in the Consent Agreement. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondents' (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action.

IT IS SO ORDERED.

Thomas Rucki Regional Judicial Officer Date

# **CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the foregoing Consent Agreement and Final Order

was delivered to the Regional Hearing Clerk, U.S. EPA, Region 6, 1201 Elm Street, Dallas,

Texas 75270-2102, and that a true and correct copy was sent this day in the following manner to

the addressees:

Copy via Email to Complainant:

mills.clarissa@epa.gov; pittman.lawrence@epa.gov

Copy via Email to Respondent:

Brandon Hayes Chief Executive Officer bhayes@drillchem.com

> Signed Office of Regional Counsel U.S. EPA, Region 6