



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

DEC 21 2010

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Alex Shain
Core Minerals Operating Company, Inc.
25 Northwest Riverside Drive Suite 300
Evansville, Indiana 47708

RE: Core Minerals Operating Company, Inc.
Consent Agreement and Final Order (CAFO)
Docket No. CWA-04-2010-5127(b)

Dear Mr. Shain:

Enclosed please find a copy of the executed CAFO as filed with the Regional Hearing Clerk (RHC) in the above-referenced matter. The CAFO is effective on the date it is filed with the RHC, and the penalty due date is calculated from the effective date.

Also enclosed, please find a copy of a document entitled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts Core Minerals Operating Company, Inc. on notice of its potential duty to disclose to the Securities Exchange Commission any environmental actions taken by the United States Environmental Protection Agency.

If you have any questions, please feel free to contact me at (404) 562-9705.

Sincerely,

A handwritten signature in black ink that reads "Alfred R. Politzer".

Alfred R. Politzer
Assistant Regional Counsel
Office of Environmental Accountability

Enclosures

2. On December 19, 2009, Respondent was the “owner or operator” (pursuant to Section 311(a)(6) of the CWA, 33 U.S.C. § 1321(a)(6)) of an oil tract (facility), which was an “onshore facility” (pursuant to Section 311(a)(10) of the CWA, 33 U.S.C. § 1321(a)(10)).

3. The facility was located on Kentucky Highway 56, in Waverly, Kentucky.

4. The unnamed tributary of Anderson Creek that is the subject of Complainant’s allegations in this CAFO is a navigable water under Section 502(7) of the CWA, 33 U.S.C. § 1362(7), and 40 C.F.R § 110.1, and therefore subject to CWA Section 311 jurisdiction.

5. Section 311(b)(3) of the CWA, 33 U.S.C. § 1321(b)(3), prohibits the discharge of oil into navigable waters of the U.S. in quantities that “may be harmful.”

6. Pursuant to 40 C.F.R § 110.3, discharges of oil in quantities that “may be harmful” include discharges of oil that: (1) violate applicable water quality standards; or (2) cause a film, sheen, or discoloration of the surface water or adjoining shorelines, or cause a sludge or emulsion to be deposited beneath the surface water or on adjoining shorelines.

7. Respondent admits to the jurisdictional statements contained herein.

Allegations

Complainant alleges, and Respondent neither admits nor denies, that:

8. On December 19, 2009, Respondent discharged 8 barrels of oil (as defined in Section 311(a)(1) of the CWA, 33 U.S.C. § 1321(a)(1)) from its facility into an unnamed tributary of Anderson Creek.

9. The December 19, 2009, discharge described in paragraph 8 caused a sheen and/or discoloration of the surface water of the unnamed tributary and the adjoining shoreline.

Therefore, the discharge constituted a quantity that may be harmful pursuant to 40 C.F.R § 110.3.

Accordingly, Respondent violated Section 311(b)(3) of the CWA, 33 U.S.C. § 1321(b)(3).

Waiver of Rights

10. Respondent waives the right to contest the allegations contained herein, to a hearing under Section 311(b)(6)(B)(i) of the CWA, 33 U.S.C. § 1321(b)(6)(B)(i), or to appeal any Final Order in this matter under Section 311(b)(6)(G)(i) of the CWA, 33 U.S.C. § 1321(b)(6)(G)(i), and consents to the issuance of a Final Order without further adjudication.

Penalty

11. Respondent agrees to pay a \$2,586.00 civil penalty.

Payment Terms

12. No later than 30 days after the effective date of the Final Order, Respondent shall pay the penalty by corporate cashier's or certified check, electronic funds transfer (EFT), or on-line. If paying by check, it shall be payable to "Environmental Protection Agency," bearing the notation "OSLTF - 311," and Respondent shall note the title and docket number of this case.

If Respondent sends payment by the U.S. Postal Service, the payment shall be sent to:

US Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
Post Office Box 979077
St. Louis, Missouri 63197-9000

If paying by EFT, Respondent shall transfer the payment to:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, New York 10045
Field Tag 4200 of the Fedwire message should read
"D 68010727 Environmental Protection Agency"

If paying on-line, access at www.pay.gov. Enter sfo 1.1 in the search field.

13. Respondent shall submit a copy of the check, EFT, or on-line payment to:

Patricia Bullock
Regional Hearing Clerk
U.S. EPA- Region 4
61 Forsyth Street, SW
Atlanta, Georgia 30303

and to:

Larry L. Lamberth, Chief
South Enforcement and Compliance Section
RCRA and OPA Enforcement and Compliance Branch
U.S. EPA- Region 4
61 Forsyth Street, SW
Atlanta, Georgia 30303

14. Respondent's failure to pay the penalty assessed by the Final Order in full by its due date may subject Respondent to a civil action to collect the assessed penalty, plus interest, attorney's fees, costs, and an additional quarterly nonpayment penalty pursuant to Section 311(b)(6)(H) of the CWA, 33 U.S.C. § 1321(b)(6)(H). In any such collection action, the validity, amount and appropriateness of the penalty agreed to herein shall not be subject to review.

15. Pursuant to 26 U.S.C. § 162(f), the penalty is not tax deductible.

General Provisions

16. The Final Order shall be binding upon Respondent and Respondent's officers, directors, agents, and successors or assigns.

17. The Final Order does not constitute a waiver, suspension or modification of the requirements of Section 311 of the CWA, 33 U.S.C. § 1321, or any regulations promulgated thereunder, and does not affect the right of the Administrator or the United States to pursue any applicable injunctive or other equitable relief or criminal sanctions for any violation of law.

Payment of the penalty pursuant to this CAFO resolves only Respondent's liability for federal

civil penalties for the violations and facts stipulated to and alleged herein. Except as otherwise set forth, compliance with this CAFO resolves the allegations of violations contained herein.

18. The undersigned representative of Respondent hereby certifies that he or she is authorized to execute and legally bind Respondent to the terms and conditions of this CAFO.

19. A copy of any documents that Respondent files in this action shall be sent to the following attorney who represents EPA and is authorized to receive service in this matter:

Alfred Politzer
Assistant Regional Counsel, EPA Region 4
61 Forsyth Street, SW
Atlanta, Georgia 30303

20. A copy of any documents that Complainant files in this action shall be sent to the following attorney who represents Respondent and is authorized to receive service in this matter:

Alex Shain
Core Minerals Operating Company, Inc.
25 Northwest Riverside Drive Suite 300
Evansville, Indiana 47708

Effective Date

21. This CAFO is effective when it is filed with the Regional Hearing Clerk.

CONSENTED AND AGREED TO:

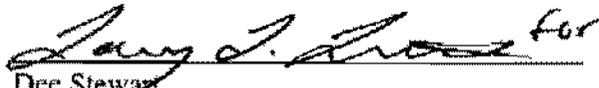
CORE MINERALS OPERATING COMPANY, INC.

Date: 12/10/2010


Name: James P. Roda
Title: President

U.S. ENVIRONMENTAL PROTECTION AGENCY

Date: 12/17/10


Dee Stewart
Acting Branch Chief
RCRA and OPA Enforcement and Compliance Branch
RCRA Division

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4

IN THE MATTER OF)
)
Core Minerals Operating Company, Inc.)
25 Northwest Riverside Drive Suite 300)
Evansville, Indiana 47708)
)
Respondent)
)
Docket No. CWA-04-2011-5127(b)

FINAL ORDER

The foregoing Consent Agreement is hereby approved, ratified and incorporated by reference into this Final Order in accordance with 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. Respondent is hereby ORDERED to comply with all of the terms of the Consent Agreement effective immediately upon its filing with the Regional Hearing Clerk. This Order disposes of this matter pursuant to 40 C.F.R. §§ 22.18 and 22.31.

BEING AGREED, IT IS SO ORDERED this 20th day of December, 2010.

BY: Susan B. Schub
Susan B. Schub
Regional Judicial Officer