

September 10, 2026

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Stephen Jantzen, Counsel
Ryan Whaley Attorneys
400 North Walnut Avenue
Oklahoma City, OK 73104

Donnie Curfman
Plant Manager
Continental Carbon Co
1006 E Oakland Ave
Ponca City, OK 74601

Re: **NOV No. 27-AQN-001**
Failed Stack Tests CGEUs 1 and 2
Facility ID 333

NOTICE OF VIOLATION

Pursuant to the Oklahoma Environmental Quality Code ("Code"), 27A O.S. § 2-3-502 and the Oklahoma Administrative Code ("OAC") 252:4-9-1, this is to provide you with notice of apparent violations ("NOV") identified by the Oklahoma Department of Environmental Quality ("DEQ").

Continental Carbon Company ("CCC") owns and operates the Carbon Black Production Facility ("Facility"), which is located at 1006 East Oakland Avenue, Ponca City, in Kay County, Oklahoma. The Facility currently operates under DEQ Air Quality Permit No. 2004-302-C M-4, issued November 11, 2018, Permit No. 2017-0914-TVR2, issued on August 21, 2018, and Permit No. 2017-0914-C (M-3), issued August 20, 2025. In addition to those permits, the Facility is subject to the Oklahoma Clean Air Act, 27A O.S. §§ 2-5-101 to -118; OAC 252:100, Air Pollution Control; Title 40, Code of Federal Regulations ("CFR"), Part 63 ("NESHAP"), Subparts SS, YY, ZZZZ, and DDDDD; 40 CFR Part 60 ("NSPS") Subpart IIII; 40 CFR Part 64 ("CAM"); and Consent Decree Case No. 5:15-cv-00290-F ("CD"). Permit No. 2017-0914-C (M-3) is the controlling permit for the Clean Gas Energy Units ("CGEU").

CCC is required to conduct annual particulate matter ("PM") stack testing for the CGEUs – EPNs 40 and 41 in the permit. In NOV No. 26-AQN-002, sent to CCC on June 19, 2026, DEQ alleged that CCC failed to conduct this annual testing for 2023, 2024, and 2025. At that time, the last CGEU stack tests were conducted in October of 2022, which showed noncompliance with permitted PM emission limits. In response, CCC stated that testing had been scheduled for both units. On July 21 and 22, 2026, CCC contracted with Air Hygiene to conduct emission compliance testing for CGEU #1 at the Facility. On July 24 and 25, 2026, CCC contracted emission compliance

testing for CGEU #2. On August 18, 2026, CCC submitted the test results, which show that both CGEUs failed their tests, showing noncompliance with permitted PM limits.

This NOV is to inform you that DEQ alleges violations of the following provisions of the Code, OAC, and Permit No. 2017-0914-C (M-3):

Title 27A O.S. §2-5-112(A) Implementation of Comprehensive Permitting Program states in part:

Upon the effective date of permitting rules promulgated pursuant to the Oklahoma Clean Air Act, it shall be unlawful for any person to construct any new source, or to modify or operate any new or existing source of emission of air contaminants except in compliance with a permit issued by the Department of Environmental Quality, unless the source has been exempted or deferred or is in compliance with an applicable deadline for submission of an application for such permit.

Oklahoma Administrative Code (OAC) 252:100-8-1.3. Duty to Comply states:

- (a) An owner or operator who applies for a permit or authorization, upon notification of coverage, shall be bound by the terms and conditions therein.
- (b) An owner or operator who violates any condition of a permit or authorization is subject to enforcement under the Oklahoma Clean Air Act.

Specific Condition 1 of Permit No. 2017-0914-C (M-3) states, in part:

Points of emissions and limitations for each point:

EUG 5: Clean Gas and Energy Units

Emission Limitations

Emission limitations for the clean gas energy units are listed in the following table.

Pollutants	7-Day Rolling Average Emission Limits	365-Day Rolling Average Emission Limits	3-hr Average Emission Limits
PM			No greater than 0.0069 gr/dscf¹

1. gr/dscf = grains per dry standard cubic foot

The following table lists combined emissions from Emission Points 40 and 41.

Point	NO_x	CO	VOC	PM/PM₁₀/	SO₂
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							PM _{2.5}			
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr ²	TPY	lb/hr	TPY
EPN 40	58.39	127.95	172.92	744.39	3.12	12.75	5.65	23.57	162.43	585.30
EPN 41	58.39	127.95	172.92	744.39	3.12	12.75	5.65	23.57	162.43	585.30

2. lb/hr = pounds per hour

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e. Permittee shall conduct annual stack tests for PM. No two annual tests shall be conducted less than 11 months apart. The reference methods and procedures for performing PM stack tests and for determining compliance with the applicable PM 3-hour average emission limit shall be those specified in 40 CFR 60.8(f) and 40 CFR Part 60, Appendix A-3, Reference Method 5/5B. Each test shall consist of three separate runs performed under representative operating conditions, not including periods of startup, shutdown, or malfunction. The sampling time for each run shall be at least sixty (60) minutes and the minimum sample volume of each run shall be 30 ft³ (dry volume, standard temperature basis).

Violation 1

The test conducted on July 21 and 22, 2026, on CGEU #1 (EPN40) yielded the following results for Total Particulate Matter (PM, PM₁₀ and PM_{2.5}):

Permit Limit	Test Results
0.0069 gr/dscf ¹	0.0081 gr/dscf
5.56 lb/hr ²	5.88 lb/hr
23.57 tons per year	25.75 tons per year

CCC emitted in excess of the concentration limit of 0.0069 gr/dscf, the lb/hr limit of 5.56, and the tons per year limit of 23.57 during the July 21 and 22, 2026, stack test.

Therefore, DEQ alleges that CCC is in violation of Specific Condition 1 of Permit No. 2017-0914-C (M-3), OAC 252:100-8-1.3, and Title 27A O.S. §2-5-112(A).

Violation 2

The test conducted on July 24 and 25, 2026, on CGEU #2 (EPN41) yielded the following results for Total Particulate Matter (PM, PM₁₀ and PM_{2.5}):

Permit Limit	Test Results
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0.0069 gr/dscf ¹	0.0084 gr/dscf
5.56 lb/hr ²	4.87 lb/hr
23.57 tons per year	21.35 tons per year

CCC emitted in excess of the concentration limit of 0.0069 gr/dscf during the July 24 and 25, 2026, stack test.

Therefore, DEQ alleges that CCC is in violation of Specific Condition 1 of Permit No. 2017-0914-C (M-3), OAC 252:100-8-1.3, and Title 27A O.S. §2-5-112(A).

DEQ alleges violations of the above-stated provisions. DEQ requests that your immediate attention be given to the above listed allegations of noncompliance and that Continental Carbon Company submit a Compliance Plan within 15 calendar days from receipt of this notice. The Compliance Plan shall include a schedule of remedial measures for each issue of noncompliance identified in this Notice of Violation and shall contain all of the following:

- 1) A sequence of actions, with milestones, leading to compliance; and
- 2) Specific dates for achieving each milestone; and
- 3) A final compliance date.
- 4) Provisions taken to ensure that the violation does not occur again in the future.

If compliance has already been achieved for any or all of the above listed allegations, the Compliance Plan, for those allegations, shall include all of the following:

- 1) A sequence of actions, with milestones, which led to compliance; and
- 2) Specific dates on which each milestone was achieved; and
- 3) The final compliance date, and
- 4) Provisions taken to ensure that the violation does not occur again in the future.

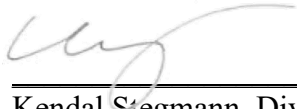
Failure to submit the above requested information may result in further enforcement action, which may include the assessment of penalties of up to ten thousand dollars (\$10,000.00) per day for each violation. Failure to submit the above requested information may also result in the issuance of an Administrative Compliance Order. This Notice of Violation has been issued pursuant to the Oklahoma Clean Air Act, 27A O.S. §§ 2-5-101 to -118.

Please forward the requested information to:

Attention: Richard Groshong
Oklahoma Department of Environmental Quality
Air Quality Division
707 N. Robinson, P.O. Box 1677
Oklahoma City, OK 73101-1677

If you have any questions regarding this matter, please contact Richard Groshong of the DEQ at (405) 702-4150.

Sincerely,

A handwritten signature in grey ink, appearing to read 'Kendal Stegmann', is positioned above a horizontal line.

Kendal Stegmann, Division Director
AIR QUALITY DIVISION

Enclosures:

1. CGEU #1 Test Results Table
2. CGEU #2 Test Results Table