

IN THE IOWA DISTRICT COURT FOR SIOUX COUNTY

STATE OF IOWA, ex rel., IOWA )  
 DEPARTMENT OF NATURAL )  
 RESOURCES (99AG23542), )  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 SIOUX PHARM, INC., )  
 )  
 Defendant. )

LAW NO. CVCV022276

**CONSENT ORDER,  
JUDGMENT AND DECREE**

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NOW on this \_\_\_\_\_ day of \_\_\_\_\_, 2011, the Court is presented with the plaintiff's Amended and Substituted Petition at Law seeking civil penalties and injunctive relief pursuant to Iowa Code section 455B.191. The Court having read the Petition and being otherwise advised by the parties FINDS:

1. The Court has jurisdiction of the parties and subject matter of this action and the parties consent to the entry of this Consent Order, Judgment and Decree.
2. The defendant admits only the violations alleged in paragraphs 39-40, and 47-61 of the Amended and Substituted Petition solely for purposes of resolving the above-captioned matter and avoiding the time and expense of proceeding to trial, and denies the remaining allegations which are hereby dismissed. The defendant states that the acts or omissions giving rise to any violations were not knowingly committed in violation of the law, and expressly states that any violations were unintentional.
3. The defendant states that it has installed an anaerobic wastewater treatment system at its facility designed to remove organic contaminants from process wastewater and turn them into methane

gas, thereby eliminating the need for a wastewater storage lagoon, and the land application of the wastewater. The defendant further states that he has licensed and registered its by-product as a soil conditioner with the Iowa Department of Agriculture and intends to sell by-product for land application.

THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED THAT:

1. Defendant Sioux Pharm, Inc., shall pay a civil penalty of Twenty Thousand Dollars (\$20,000.00) for the violations admitted herein within ten (10) days of the entry of this Consent Order, Judgment and Decree. The defendant shall also pay interest pursuant to Iowa Code section 535.3(1) on any unpaid balance. Payment of the civil penalty and any interest shall be made payable to the State of Iowa and forwarded to Assistant Attorney General Timothy Benton at the address below.

2. Defendant Sioux Pharm, Inc., is permanently enjoined from violations of Iowa Code sections 455B.186(1) and 455B.307(2); and 567 Iowa Admin. Code 61.3(2)“b,” “c,” and “d,” 62.9, 63.2(1), 64.3(1), and 100.3.

3. Defendant agrees that it will no longer land apply wastewater from its facility. Defendant shall permanently close its wastewater storage basin by removing the contents and leveling the site no later than July 15, 2011. Defendant shall provide no less than twenty-four (24) hours notice to DNR Field Office No. 3 at (712) 262-4177 prior to closure so that DNR personnel can be present to observe the closure. Defendant has submitted a written request to the DNR, requesting discontinuation of Operation Permit No. 84-00-1-16, and the as-built permit for the defendant’s wastewater storage lagoon, which is pending subject to resolution by this Consent Decree.

4. The Court retains jurisdiction of this matter to ensure compliance with the terms of this Order.

5. The costs of this action are taxed to the defendant in the amount of \$\_\_\_\_\_ (Clerk to enter).

\_\_\_\_\_  
JUDGE, Third Judicial District of Iowa

Approved as to form:

IOWA DEPARTMENT OF  
NATURAL RESOURCES

  
\_\_\_\_\_  
ROGER LANDE, Director

SIOUX PHARM, INC.

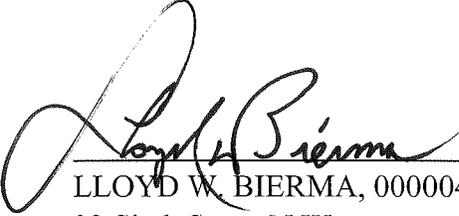
  
\_\_\_\_\_  
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*-cc to form*