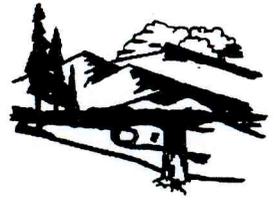




Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

June 6, 2007

Inder Mathur,
The Western Sugar Cooperative
7555 E. Hampden Avenue, Suite 600
Denver, CO 80231

RE: Notice of Violation

Dear Inder Mathur:

Enclosed you will find a Notice of Violation (NOV) issued to The Western Sugar Cooperative by the Department of Environmental Quality, Air Quality Division, for odors from your Lovell Facility in excess of that allowed by regulation. These odor exceedances were observed during odor monitoring conducted by the Air Quality Division at your facility on May 23, 2007.

As the Department and this Division consider the failure to comply with air quality regulations to be a serious matter, I am considering recommending the Department refer this violation to the State Attorney General's office requesting a suit be filed in District Court to recover appropriate penalties.

If you would like to discuss settlement of this Notice of Violation prior to referral to the Attorney General's office, please contact Ms. Karen Godman, Air Quality Compliance Program Principal, at 307-777-8601 no later than ten (10) days after receipt of this letter.

Should you have any questions or comments regarding this matter, please feel free to contact me or Ms. Karen Godman.

Sincerely,

David A. Finley
Administrator
Air Quality Division

cc: Robert Gill
Greg Meeker
Nancy Vehr
Keith Guille



**BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING**

**IN THE MATTER OF THE NOTICE OF VIOLATION)
ISSUED TO THE WESTERN SUGAR COOPERATIVE,)
MR. INDER MATHUR,)
7555 E. HAMPDEN AVENUE, SUITE 600)
DENVER, CO 80231)**

**DOCKET NO.
4095-07**

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found The Western Sugar Cooperative to be in violation of W.S. 35-11-201 of the Wyoming Environmental Quality Act and Chapter 2, Section 11 of the Wyoming Air Quality Standards and Regulations in the operation of the Lovell Facility located in Big Horn County, Wyoming.

2. W.S. 35-11-201 of the Environmental Quality Act states, "No person shall cause, threaten or allow the discharge or emission of any air contaminant in any form so as to cause pollution which violates rules, regulations and standards adopted by the council."

3. Chapter 2, Section 11(a) of the Wyoming Air Quality Standards and Regulations states, "The ambient air standard for odors from any source shall be limited to: (i) An odor emission at the property line which is undetectable at seven dilutions with odor free air as determined by a scentometer as manufactured by the Barnebey-Cheney Company or any other instrument, device, or technique designated by the Division as producing equivalent results. The occurrence of odors shall be measured so that at least two measurements can be made within a period of one hour, these determinations being separated by at least 15 minutes."

4. On May 23, 2007, the Air Quality Division conducted odor monitoring at your Lovell Facility. At 8:47 a.m. Mr. Greg Meeker, Air Quality Division Inspector, conducted odor monitoring at the south side of the facility, along Highway 14A. Odors were detected at a 7:1 level. A follow-up odor evaluation was conducted in the same location at 9:02 p.m. with odors again detected at a 7:1 level.

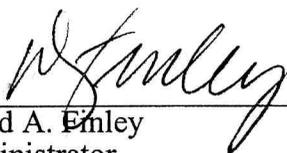
5. Said violation consists of odors from The Western Sugar Cooperative at the Lovell Facility in excess of that allowed by regulation in violation of W.S. 35-11-201 of the Wyoming Environmental Quality Act and Chapter 2, Section 11 of the Wyoming Air Quality Standards and Regulations.

6. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental Quality Act] ... is subject to a penalty not to exceed ten thousand dollars (\$10,000.00) for each violation for each day during which the violation continues, a temporary or permanent injunction, or both a penalty and an injunction.

7. This notice is being sent to you pursuant to W.S. 35-11-701(c), which requires that, in any case of the failure to correct or remedy an alleged violation, the Director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

The Western Sugar Cooperative
Notice of Violation
Page 2

DATED this 12 day of June, 2007.



David A. Enley
Administrator
Air Quality Division



John Corra
Director
Department of Environmental Quality

Please direct all inquiries to Dan Olson, Administrator, Division of Air Quality, Department of Environmental Quality, Herschler Building, 2nd Floor, 122 W. 25th Street, Cheyenne, Wyoming 82002. (Telephone: 307/777-7393.)