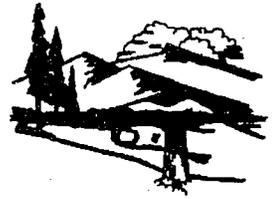




# Department of Environmental Quality



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

August 16, 2007

Mr. H.A. 'Hank' True, III  
President  
Belle Fourche Pipeline Company  
P.O. Drawer 2360  
Casper, WY 82602

RE: Notice of Violation

Dear Mr. True:

Enclosed you will find a Notice of Violation (NOV) issued to Belle Fourche Pipeline Company by the Department of Environmental Quality, Air Quality Division, for violation of the requirement to obtain a permit to construct from the Wyoming Department of Environmental Quality prior to constructing/operating the Hartzog #2 10,000 barrel tank located in Campbell County, Wyoming. This tank has been operating from approximately February 2005 to June 2007 without an appropriate permit. This is a violation of W.S. 35-11-801 and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations (WAQSR).

As the Department and this Division consider the failure to obtain the necessary permits prior to constructing and operating air emission sources 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 J. Godman, Air Quality Compliance Program Principal, at 307-777-8601 no later than ten (10) days after receipt of this letter.

Sincerely,

David A. Finley  
Administrator  
Air Quality Division

cc: Robert Gill  
Nancy Vehr  
Mike Warren  
Keith Guille



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

**IN THE MATTER OF THE NOTICE OF VIOLATION, )  
ISSUED TO BELLE FOURCHE PIPELINE COMPANY, )  
MR. H.A. TRUE, III, PRESIDENT, ) DOCKET NO.  
P.O. DRAWER 2360, ) 4132-07  
CASPER, WYOMING 82602 )**

**NOTICE OF VIOLATION**

**NOTICE IS HEREBY GIVEN THAT:**

1. The Department of Environmental Quality, Division of Air Quality, has found Belle Fourche Pipeline Company to be in violation of W.S. 35-11-801(c) of the Wyoming Environmental Quality Act and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations in the operation of the facility referred to as Hartzog 2 in Campbell County, Wyoming.

2. W.S. 35-11-801(c) states that, "A permit to construct is required before construction or modification of any industrial facility capable of causing or increasing air or water pollution in excess of standards established by the department is commenced."

3. Chapter 6, Section 2 (a)(i) states that, "Any person who plans to construct any new facility or source, modify any existing facility or source, or to engage in the use of which may cause the issuance of or an increase in the issuance of air contaminants into the air of this state shall obtain a construction permit from the State of Wyoming, Department of Environmental Quality before any actual work is begun on the facility."

4. On May 7, 2007 the Air Quality Division received a letter from Belle Fourche Pipeline Company to provide a status report regarding outdated storage tanks. This status report listed the Hartzog 2 10,000 barrel storage tank as having been put back into service in February of 2005 in Campbell County, Wyoming

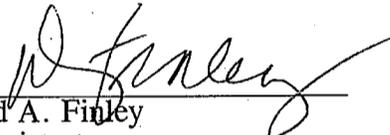
5. On May 3, 2007 the Air Quality Division also received an application from Belle Fourche Pipeline Company to permit three (3) 400 barrel fixed roof crude oil relief tanks in Campbell County, Wyoming. The Hartzog 2 10,000 barrel tank was not included within this permit application and the tank does not have a valid, previously issued permit. Operating the Hartzog 2 10,000 barrel tank without a permit is a violation of W.S. 35-11-801(c) of the Wyoming Environmental Quality Act and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations.

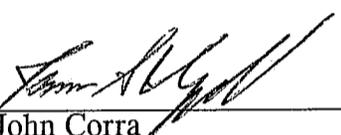
6. Said violation consists of the failure to obtain a construction permit in accordance with W.S. 35-11-801 within the Wyoming Environmental Quality Act and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations prior to constructing/operating the 10,000 barrel storage tank referred to as Hartzog 2.

7. 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.

8. 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.

DATED this 8<sup>th</sup> 21<sup>st</sup> day of Aug, 2007.

  
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David A. Finley  
Administrator  
Air Quality Division

  
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John Corra  
Director  
Department of Environmental Quality

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