



# 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

July 18, 2008

Mr. Carl Thunem  
EHS Group Lead, North Rockies  
EnCana Oil & Gas (USA) Inc.  
370 17<sup>th</sup> Street, Suite 1700  
Denver, CO 80202

Re: Notice of Violation

Dear Mr. Thunem:

Enclosed you will find a Notice of Violation (NOV) issued to EnCana Oil & Gas (USA), Inc. by the Department of Environmental Quality, Air Quality Division for the failure to obtain a construction permit prior to commencing construction of the Caterpillar G3516LE engine at the County Line Compressor Station. This is a violation of condition 10 of permit CT-4578.

As the Department and this Division consider the failure to comply with air quality permit requirements 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  
Chris Hanify  
Nancy Vehr  
Keith Guille

Herschler Building • 122 West 25th Street • Cheyenne, WY 82002 • <http://deq.state.wy.us>

ADMIN/OUTREACH (307) 777-7937 FAX 777-3610	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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**BEFORE THE  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
STATE OF WYOMING**

**IN THE MATTER OF THE NOTICE OF VIOLATION )  
ISSUED TO ENCANNA OIL AND GAS (USA), INC. )  
MR. CARL THUNEM, )  
EHS GROUP LEAD, NORTH ROCKIES )  
370 17<sup>TH</sup> STREET, SUITE 1700 )  
DENVER, COLORADO 80202 )**

**DOCKET NO. 4325-08**

**NOTICE OF VIOLATION**

**NOTICE IS HEREBY GIVEN THAT:**

1. The Department of Environmental Quality, Division of Air Quality, has found EnCana Oil and Gas (USA), Inc. to be in violation of permit CT-4578 issued in accordance with W.S. 35-11-801 of the Wyoming Environmental Quality Act and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations for County Line Compressor Station located in Natrona County, Wyoming.

2. W.S. 35-11-801(a) states, "In granting permits, the Director may impose such conditions as may be necessary to accomplish the purpose of this act which are not inconsistent with the existing rules, regulations and standards."

3. Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations prescribes the applicability and procedures for issuing permits to sources under Wyoming's construction and modification permitting program.

4. Permit CT-4578 was issued to EnCana Oil & Gas (USA) on June 14, 2007. Condition 10 states:

"That the engine configuration for the County Line Station shall be limited to one (1) engine consisting of the following:

E1: Caterpillar G3516LE lean burn engine with an oxidation catalyst, or a Caterpillar G3512LE lean burn engine with an oxidation catalyst, or a Waukesha 7044GSI rich burn engine with an NSCR catalyst and an AFRC, or a Waukesha 7042GSI rich burn engine with a NSCR catalyst and an AFRC.

Once constructed unit E1 loses flexibility and cannot be replaced without an appropriate permit modification."

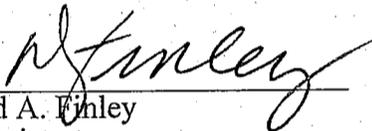
5. On June 26, 2008, Air Quality Engineer, Mr. Jon Walker conducted an observation of the County Line Compressor Station and noted two engine stacks. During follow-up with EnCana on July 1, 2008, Mr. Bill Bender disclosed to Mr. Chris Hanify that a Caterpillar G3516LE engine was installed at the County Line Compressor Station without a permit. Under permit CT-4578, a maximum of one Caterpillar G3516LE engine can be installed at the facility. The installation of this engine constitutes a violation of condition 10 of permit CT-4578.

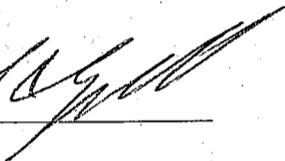
6. Said violation consists of installation of a Caterpillar G3516LE engine without a permit modification. This constitutes a violation of permit condition 10 within permit CT-4578.

7. 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.

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 28<sup>th</sup> day of July, 2008.

  
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David A. Finley  
Administrator  
Air Quality Division

  
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John V. Corra  
Director  
Department of Environmental Quality

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