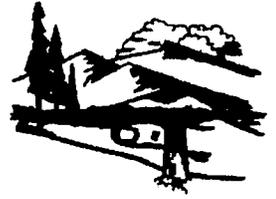




# Department of Environmental Quality



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

March 3, 2009

Mr. Korby Bracken  
Staff Environmental Analyst  
Anadarko E & P Company, LP  
1099 18<sup>th</sup> Street, Suite 1800,  
Denver, CO 80202

Re: Notice of Violation

Dear Mr. Bracken:

Enclosed you will find a Notice of Violation (NOV) issued to Anadarko E & P Company, LP by the Department of Environmental Quality, Air Quality Division for: 1) venting emissions of 122 tons of VOCs and 68 tons of HAPs during VRU downtime in violation of MD-1301(Corrected), and 2) installation and operation of a third dehydration unit without obtaining a permit in violation of Chapter 6, Section 2(a) of the Wyoming Air Quality Standards and Regulations.

As the Department and this Division consider the failure to comply with air quality permitting 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  
Nancy Vehr  
Tony Hoyt  
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 ANADARKO E&P COMPANY, LP )  
MR. KORBY BRACKEN, )  
STAFF ENVIRONMENTAL ANALYST, )  
1099 18<sup>TH</sup> STREET, SUITE 1800 )  
DENVER, COLORADO 80202 )**

**DOCKET NO. 4462-09**

**NOTICE OF VIOLATION**

**NOTICE IS HEREBY GIVEN THAT:**

1. The Department of Environmental Quality, Division of Air Quality, has found Anadarko E & P Company, LP (Anadarko) to be in violation of permit MD-1301(Corrected) 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 and also to be in violation of W.S. 35-11-801(c) of the Wyoming Environmental Air Quality Act and permitting requirements of Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations at the Monell Production Battery A located in Sweetwater 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 MD-1301(Corrected) was issued to Anadarko on November 27, 2006. Permit MD-1301(Corrected) dictates control of vent vapors from the dehydration units through conditions 9 & 10 as follows:

Condition 9 states:

"Glycol flash tank vapors from the 15.0 MMCFD and 8.0 MMCFD TEG dehydration units shall be routed to the electric vapor recovery unit and then routed to the electric compressors for reinjection."

Condition 10 states:

"During periods when the electric vapor recovery unit is not operational, all vapors from the 15.0 MMCFD and 8.0 MMCFD TEG dehydration units shall be directed to a suitable combustion device."

5. On November 21, 2008, Mr. Korby Bracken and Mr. Richard Waters of Anadarko met with the Division to disclose two compliance concerns noted at Monell Production Battery A. One disclosed compliance concern was that Anadarko vented emissions during Vapor Recovery Unit (VRU) downtime, specifically 122 tons of VOCs and 68 tons of HAPs. Venting emissions from the TEG dehydration units during VRU downtime are violations of conditions 9 & 10 of permit MD-1301 (Corrected).

6. W.S. 35-11-801(c) states, "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.

7. Chapter 6, Section 2(a)(i) of the Wyoming Air Quality Standards and Regulations states, "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."

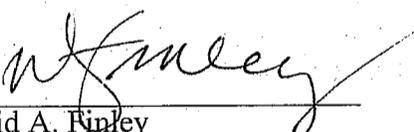
8. On November 21, 2008, Mr. Korby Bracken and Mr. Richard Waters met with the Division to disclose two compliance concerns noted at Monell Production Battery A. The second compliance concern was the installation and operation of a third dehydration unit. The dehydration unit was commissioned on May 7, 2008 and shut down August 19, 2008, a total of approximately 110 days. Failure to obtain an air quality permit for the third dehydration unit is a violation of W.S. 35-11-801(c) of the Wyoming Environmental Quality Act and Chapter 6, Section 2(a)(i) of the Wyoming Air Quality Standards and Regulations.

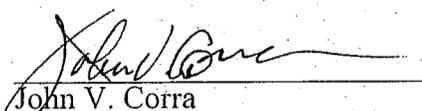
9. Said violations consist of 1) venting emissions of 122 tons of VOCs and 68 tons of HAPs during VRU downtime in violation of MD-1301(Corrected), and 2) installation and operation of a third dehydration unit without obtaining a permit in violation of W.S. 35-11-801(c) of the Wyoming Environmental Air Quality Act and permitting requirements of Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations

10. 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.

11. 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 16 day of MAR, 2009.

  
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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.)