



# 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 23, 2009

Mr. David Stewart  
Air Quality Specialist, North Rockies  
Mc Murry Oil Company  
370 17<sup>th</sup> Street, Suite 1700  
Denver, CO 80202

RE: Notice of Violation

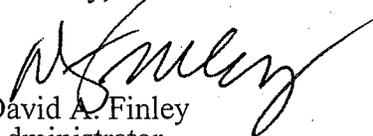
Dear Mr. Stewart:

Enclosed you will find a Notice of Violation (NOV) issued to Mc Murry Oil Company by the Department of Environmental Quality, Air Quality Division, for failing to comply with the permit requirement for maintaining and operating emission control devices during all periods of active well site operation for the Stud Horse Butte 13-26-29-108 facility located in Sublette County, Wyoming. This violation of permit MD-1209 was observed by Ms. Jennifer Frazier on November 19, 2008.

As the Department and this Division consider the failure to comply with air quality permit conditions 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  
Jennifer Frazier  
Tony Hoyt  
Nancy Vehr  
Keith Guille



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

**IN THE MATTER OF THE NOTICE OF VIOLATION )  
ISSUED TO MC MURRY OIL COMPANY )  
MR. DAVID STEWART, )  
AIR QUALITY SPECIALIST, NORTH ROCKIES, )  
370 17<sup>TH</sup> STREET, SUITE 1700 )  
DENVER, COLORADO 80202 )**

**DOCKET NO. 4470-09**

**NOTICE OF VIOLATION**

**NOTICE IS HEREBY GIVEN THAT:**

1. The Department of Environmental Quality, Division of Air Quality, has found Mc Murry Oil Company to be in violation of permit MD-1209 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 at the Stud Horse Butte 13-26-29-108 gas/condensate well site located in Sublette 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-1209 was issued to Mc Murry Oil Company on August 9, 2005. Permit MD-1209 dictates control of vent vapors from tanks through conditions 12 & 13 as follows:

Condition 12(A.) states:

"Upon the First Date of Production of an additional well at the Stud Horse Butte 13-26-29-108 facility or upon the date production associated with a well from a separate location is tied into the Stud Horse Butte 13-26-29-108 facility, controls for emissions from all existing and new hydrocarbon liquid storage tanks and pressure vessels (flashing, standing/working/breathing losses and any separator flash gas not collected for sales) shall be installed and operational. Emission control systems or devices installed under this condition shall be designed and operated to reduce the mass content of VOCs in the gases vented to the device by at least 98 percent by weight, and shall meet the requirements of the Chapter 6, Section 2 Oil and Gas Production Facilities Permitting Guidance."

Condition 13 states:

"Emission control devices installed under twelve (12) shall be maintained and operated during all periods of active well site operation such that each remains effective as a viable emissions control device. Records shall be maintained noting dates and durations of times during active well site operation when any emission control device is not operational."

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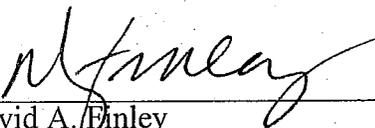
5. On November 19, 2008, Ms. Jennifer Frazier, Air Quality Division Engineer/Inspector, observed continuous significant venting vapors from a thief hatch and hammer unions. Venting vapors from thief hatches and hammer unions and not routing vapors from the condensate tanks to the combustion device is a violation of conditions 12 & 13 of permit MD-1209.

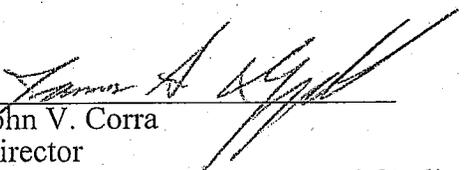
6. Said violation consists of venting vapors from a thief hatch and hammer unions and not routing vapors from the condensate tanks to the combustion device.

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 26<sup>th</sup> day of March, 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.)