

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

**IN THE MATTER OF THE NOTICE OF VIOLATION
ISSUED TO ULTRA RESOURCES, INC,
MS. BELINDA SALINAS,
ENVIRONMENTAL, SAFETY & REGULATORY AFFAIRS,
370 17TH STREET, SUITE 1700
DENVER, COLORADO 80202**

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) **DOCKET NO. 4483-09**
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NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found Ultra Resources, Inc. to be in violation of W.S. 35-11-201 of the Wyoming Environmental Quality Act and Chapter 3, Section 2 of the Wyoming Air Quality Standards and Regulations during operations at the Warbonnet 8B-4D and 2D-4D located in Sublette 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 3, Section 2(f) of the Wyoming Air Quality Standards and Regulations specifies requirements for fugitive dust control. Chapter 3, Section 2(f)(ii)(A) states, "Any person owning, operating or maintaining a new or existing material storage, handling and/or hauling operation shall minimize fugitive dust from such an operation. Such control measures may include the application of asphalt, oil, water or suitable chemicals on unpaved roads, material stockpiles and other surfaces which can give rise to airborne dusts. Control measures for material handling may also include installation of hoods, fans and fabric filters to enclose and vent dusty materials."

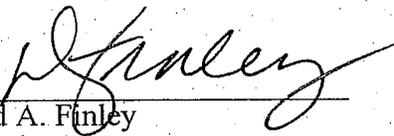
4. On November 19, 2008, Ms. Jennifer Frazier, Air Quality Inspector, observed excessive fugitive dust from Ultra's Warbonnet 8B-4D and 2D-4D facilities. Ms. Frazier witnessed three semi trucks pumping a flour-like substance into a reserve pit that did not contain any water. No fugitive dust control activities were observed.

5. Said violation consists of the failure control fugitive dust emissions from the Warbonnet 8B-4D and 2D-4D facilities located in Sublette County, Wyoming in violation of Chapter 3, Section 2 of the Wyoming Air Quality Standards and Regulations.

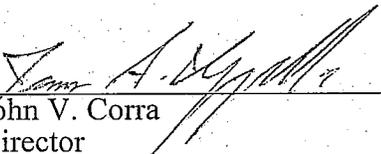
6. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental 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.

DATED this 1st day of April, 2009.



David A. Finley
Administrator
Air Quality Division



John V. Corra
Director
Department of Environmental Quality

Please direct all inquiries to David 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.)