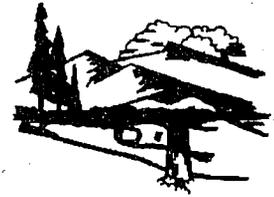




Department of Environmental Quality



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 20, 2009

Mr. Martell Brower
Director of Gas Operations
Lower Valley Energy
4000 South HWY 89, PO BOX 572
Jackson, WY 83001

RE: Notice of Violation

Dear Mr. Brower:

Enclosed you will find a Notice of Violation (NOV) issued to the Lower Valley Energy by the Department of Environmental Quality, Air Quality Division, for the failure to obtain air quality permit prior to commencing construction of the Hoback Pipeline-Rim Station located in Sublette County Wyoming in violation of W.S. 35-11-801 of the Wyoming Environmental Quality Act and Chapter 6, Section 2(a)(i) 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 J. 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.

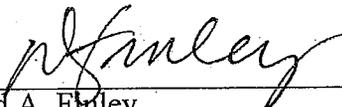
Sincerely,

David A. Finley
Administrator
Air Quality Division

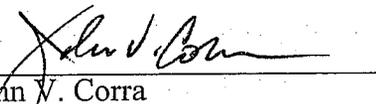
cc: Robert Gill
Tony Hoyt
Nancy Vehr
Keith Guille



DATED this 29 day of July, 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.)