



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

February 26, 2010

Mr. Peter Wolberg
Environmental & Regulatory Supervisor
Mountain Gas Resources
PO BOX 173779
Denver, CO 80217-3779

RE: Notice of Violation

Dear Mr. Wolberg:

Enclosed is a Notice of Violation issued to Mountain Gas Resources, Inc. for failing to: 1) maintain records of pilot flame monitoring with a thermocouple at the Jonah Compressor Station in violation of both conditions 18 and 20 of permit MD-1557 and 2) maintain records of pilot flame monitoring with a thermocouple at the Storm Shelter Compressor Station in violation of both conditions 11 and 12 of permit MD-935. These violations were discovered through a voluntary disclosure letter dated September 3, 2009 from Mountain Gas Resources, Inc.

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: Bob Gill; 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 MOUNTAIN GAS RESOURCES, INC)
MR. PETER WOLBERG,) **DOCKET NO. 4656-10**
ENVIRONMENTAL & REGULATORY SUPERVISOR)
PO BOX 173779, DENVER, CO 80217-3779)

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found Mountain Gas Resources, Inc. to be in violation of permits MD-1557 and MD-935 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 Jonah Compressor Station and Storm Shelter Compressor Station. The listed facilities are located in Sweetwater and 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. In a voluntary disclosure letter dated September 3, 2009, Mountain Gas Resources disclosed that pilot flame data for the Jonah and Storm Shelter Compressor Stations exists with data gaps. Continuous data was being recorded but overwritten month to month.

5. Permit MD-1557 was issued to Mountain Gas Resources for the Jonah Compressor Station on April 17, 2007. Conditions 18 & 20 require that the presence of a pilot flame be monitored using a thermocouple and continuous recording device or any equivalent device to detect the presence of a flame and that these records be maintained for a period of five years. The failure to maintain records of pilot flame monitoring with a thermocouple is a violation of both conditions 18 & 20 of permit MD-1557.

6. Permit MD-935 was issued to Mountain Gas Resources for the Storm Shelter Compressor Station on September 25, 2003. Conditions 11 & 12 require that the presence of a pilot flame be monitored using a thermocouple and continuous recording device or any equivalent device to detect the presence of a flame and that these records be maintained for a period of five years. The failure to maintain records of pilot flame monitoring with a thermocouple is a violation of both conditions 11 & 12 of permit MD-935.

7. Said violations consist of failing to: 1) maintain records of pilot flame monitoring with a thermocouple at the Jonah Compressor Station in violation of both conditions 18 & 20 of permit MD-1557 and 2) maintain records of pilot flame monitoring with a thermocouple at the Storm Shelter Compressor Station in violation of both conditions 11 & 12 of permit MD-935.

8. 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.

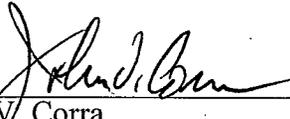
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9. This notice is being sent to you pursuant to W.S. 35-11-701(c), which requires that, in any case of the failure to correct or remedy an alleged violation, the Director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

DATED this 28 day of FEB, 2010.



David A. Finley
Administrator
Air Quality Division



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.)