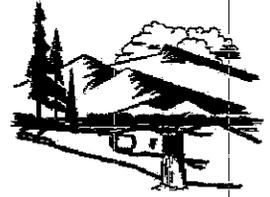




Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.



Matthew H. Mead, Governor

John Corra, Director

January 3, 2012

Mr. Matthew Hanna
Pinnacle Materials, Inc.
P.O. BOX 296
Sulphur Springs, TX 75483

RE: Notice of Violation

Dear Mr. Hanna:

Enclosed you will find a Notice of Violation (NOV) issued to Pinnacle Materials, Inc. by the Department of Environmental Quality, Air Quality Division, for: 1) failing to control/minimize fugitive dust from haul truck traffic in violation of Chapter 3, Section 2 (f) and 2) failing to obtain a permit for the gravel pit (Bright Pit) in violation of Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations.

Two additional concerns were noted at the time of the inspection. One concern was significant fugitive dust observed and believed to be from crushing and screening equipment from the processing train. Information provided by Pinnacle indicated that the water spray system was not used because no water was available onsite and the company had no water storage tank. Permit CT-10985A condition 5 requires that crushing/screening equipment be equipped with a wet suppression system to control fugitive emissions from equipment. The second concern is specific to the diesel generators. Pinnacle was unable to produce Tier 2 certifications for the diesel generators upon request. In addition, Pinnacle replaced the Cummins 545 QSK Diesel Generator with a Caterpillar C18 Diesel Generator without prior approval by the Air Quality Division.

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,

Steven A. Dietrich
Administrator
Air Quality Division

cc: Robert Gill
Chris Hanify
Nancy Vehr
Keith Guille

Herschler Building • 122 West 25th Street • Cheyenne, WY 82002 • <http://deq.state.wy.us>

ADMIN/OUTREACH (307) 777-7758 FAX 777-7682	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-6937	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
--	---	---	---	--	--	---



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

**IN THE MATTER OF THE NOTICE OF VIOLATION)
ISSUED TO PINNACLE MATERIALS, INC.)
MR. MATTHEW HANNA, PRESIDENT) DOCKET NO. 4943-12
PO BOX 296,)
SULPHUR SPRINGS, TX 75483)**

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found Pinnacle Materials, 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 (WAQSR) and W.S. 35-11-801 of the Wyoming Environmental Quality Act and Chapter 6, Section 2 of the WAQSR in the operation of a gravel mine (Bright Pit) located in Converse 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) 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 dust."

4. On November 28, 2011, Air Quality Engineer, Mr. Chris Hanify in response to a complaint conducted an inspection of the gravel pit (Bright Pit) located in Converse County, Wyoming. Upon inspection significant fugitive dust was observed from haul truck traffic. This is a violation of the requirement to minimize fugitive dust by Chapter 3, Section 2(f) of the Wyoming Air Quality Standards and Regulations.

5. W.S. 35-11-801(c) states, "A permit to construct is required before the 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."

6. 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.

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 28, 2011, Air Quality Engineer, Mr. Chris Hanify in response to a complaint conducted an inspection of the gravel pit (Bright Pit) located in Converse County, Wyoming. Upon inspection and subsequent communication between the Division and Pinnacle Materials, Inc. it was discovered that the gravel pit (Bright Pit) had not been permitted. These are violations of the requirement to obtain a construction/modification permit by Chapter 6, Section 2(a)(i) of the Wyoming Air Quality Standards and Regulations.

10. Said violations consist of: 1) failing to control/minimize fugitive dust from haul truck traffic in violation of Chapter 3, Section 2 (f) and 2) failing to obtain a permit for the gravel pit (Bright Pit) in violation of Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations.

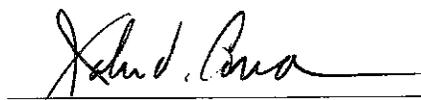
11. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental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

12. 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 3rd day of JANUARY, 2012.



Steven A. Dietrich
Administrator
Air Quality Division



John V. Corra
Director
Department of Environmental Quality

Please direct all inquiries to Steven A. Dietrich, Administrator, Division of Air Quality, Department of Environmental Quality, Herschler Building, 2nd Floor, 122 W. 25th Street, Cheyenne, Wyoming 82002. (Telephone: 307/777-7393.)