



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

June 25, 2012

Mr. David Petty
EH&S Manager
Saga Petroleum LLC
600 17th Street, Suite 1700N
Denver, CO 80202

RE: Notice of Violation

Dear Mr. Petty:

Enclosed you will find a Notice of Violation (NOV) issued to Saga Petroleum LLC by the Department of Environmental Quality, Air Quality Division, for failing to operate the incinerator as smokeless and failing to obtain a permit for the refrigeration plant at the YU Bench Compressor Station located in Park County, Wyoming. These violations of permit MD-5743 and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations were observed by Mr. Greg Meeker on May 2 and May 9, 2012.

As the Department and this Division consider the failure to comply with permit conditions and 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,

Steven A. Dietrich
Administrator
Air Quality Division

cc: Robert Gill, Greg Meeker, Nancy Vehr, Keith Guille



9. Said violations consist of failing to: 1) to operate the incinerator as smokeless at this site in violation of MD-5743 and 2) obtain a permit for the refrigeration plant at this site. These are violations of W.S. 35-11-801 of the Wyoming Environmental Quality Act and Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations.

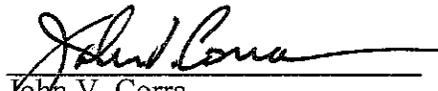
10. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental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

11. 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 25th day of JUNE, 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.)