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

Todd Parfitt, Director

April 26, 2013

Mr. Brant Gimmeson
Field and Resource Manager
Anschutz Pinedale Corporation
555 17th Street, Suite 2400
Denver, CO 80202

RE: Notice of Violation

Dear Mr. Gimmeson:

Enclosed you will find a Notice of Violation (NOV) issued to Anschutz Pinedale Corporation by the Department of Environmental Quality, Air Quality Division, for failing to comply with permit requirements for routing vapors to the emission control device and venting vapors at the Two Buttes 15-15 PAD facility, located in Sublette County, Wyoming. These are violations of permit MD-12669A. These violations were observed by Ms. Brandie O'Brien on April 4, 2013.

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

Steven A. Dietrich
Administrator
Air Quality Division

cc: Robert 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 ANSCHUTZ PINEDALE CORPORATION	) **DOCKET NO. 5155-13**
MR. BRANT GIMMESON	)
555 17TH STREET, SUITE 2400	)
DENVER, CO 80202	)

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found Anschutz Pinedale Corporation to be in violation of permit MD-12669A. This permit was 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 for the Two Buttes 15-15 PAD facility located in 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. Permit MD-12669A was issued to Anschutz Pinedale Corporation on February 25, 2013 for the Two Buttes 15-15 PAD facility. Condition 16 requires control of emissions as follows:

> "Emission control equipment, including the VOC and HAP emission control systems or devices, reboiler overheads condensers and all vent lines, connections, fittings, valves, relief valves, hatches or any other appurtenance employed to contain and collect vapors and transport them to the emission control system or device, shall be maintained and operated during any time the wells are producing such that the emissions are controlled at all times…"

5. On April 4, 2013, Ms. Brandi O'Brien, Air Quality Division Engineer/Inspector, observed that vapors were venting from an Enardo valve. Venting vapors and not routing vapors to the emission control device are violations of condition 16 of permit MD-12669A.

6. Said violations consist of venting vapors and not routing vapors to the emission control devices at the Two Buttes 15-15 PAD facility located in Sublette County, Wyoming. Venting vapors and not routing vapors to control devices are violations of permit MD-12669A.

7. 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.

8. 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 26th day of APRIL, 2013.

Steven A. Dietrich
Administrator
Air Quality Division

Todd Parfitt
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.)