

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Air Quality Division (DEQ/AQD), Herschler Building, 122 West 25th Street, Cheyenne, WY 82002, and Thunder Creek Gas Services, L.L.C. (Thunder Creek), 1120 Washington Avenue, Suite 200, Golden, CO 80401, enter into this Settlement Agreement (Agreement) to fully and finally resolve without litigation the alleged violations cited in DEQ Notice of Violation Docket No. 5133-13 (Notice of Violation) and other alleged violations set forth specifically below. The Notice of Violation alleged that Thunder Creek violated the terms of Permit CT-9137 by failing to timely test engine E1 for compliance with emissions limits, failing to notify DEQ/AQD of a non-compliant test, and failing to take corrective action. DEQ/AQD additionally alleged that Thunder Creek failed to maintain records in violation of Permits MD-10212, MD-13028, and CT-6683.

Wyo. Stat. Ann. § 35-11-901(a)(ii) authorizes stipulated settlement, including payment of a penalty, implementation of compliance schedules, or other settlement conditions in lieu of litigation. To that end, Thunder Creek and the DEQ/AQD hereby agree as follows:

1. Thunder Creek is a Wyoming limited liability company that owns and/or operates the SC-1098, MTG, House Creek Mainline, SC-1726, and Juniper Draw compressor stations in Johnson County, Wyoming.
2. The DEQ/AQD is responsible for enforcing Article 2 of the Wyoming Environmental Quality Act and the Air Quality Rules. Wyo. Stat. Ann. § 35-11-110.

I. Recordkeeping Violations

3. DEQ/AQD issued Permit MD-13028 to Thunder Creek for the MTG facility on June 15, 2012; Permit MD-10212 for the House Creek Mainline facility on March 2, 2010; Permit CT-6683 for the SC-1726 facility on January 8, 2008; and Permit 3-0-224-1 for the Juniper Draw facility on June 14, 2011.
4. Condition 18 of Permit MD-13028 and Condition 15 of Permits MD-10212 and CT-6683 require Thunder Creek to maintain and make available to DEQ/AQD upon request “[r]ecords of catalyst inlet temperature [and] pressure drop ... for a period of five (5) years[.]”
5. On February 6, 2013, DEQ/AQD inspected the MTG, House Creek Mainline, and SC-1726 facilities and discovered that Thunder Creek had not maintained complete records for catalyst inlet temperature and pressure drop in violation of Permits MD-13028, MD-10212, and CT-6683.
6. Review of the Compliance Certification of the Juniper Draw Compressor Station and subsequent information provided to DEQ by Thunder Creek revealed that

Thunder Creek had not maintained complete records for catalyst inlet temperature and pressure drop in violation of Permit 3-0-224-1.

II. Testing and Notification Violations

7. DEQ/AQD issued Permit CT-9137 to Thunder Creek for the SC-1098 compressor station on June 23, 2009.

8. Condition 16 of Permit CT-9137 requires thunder Creek to test Engine E1 every twelve calendar months for compliance with the NOx, CO, and VOC emission limits set forth in Permit CT-9137.

9. Condition 16 also requires Thunder Creek to notify DEQ/AQD within twenty-four (24) hours of testing results that show emissions exceeding the permit limits and to repair, retest, and monitor the engine within seven (7) days after a failed test.

10. DEQ/AQD alleged in the NOV that: (a) Thunder Creek failed to conduct the annual test of Engine E1 required by Condition 16 of Permit CT-9137; (b) Engine E1 tested out of compliance for VOC emissions (34% above the limit of 0.7 g/hp-hr); and (c) Thunder Creek did not notify DEQ/AQD of the failed test within 24-hours or repair, retest, and monitor the Engine within seven (7) days of the failed test.

III. Settlement Terms

11. Without admitting liability, and in lieu of litigation pursuant to Wyo. Stat. Ann. § 35-11-901(a)(ii), Thunder Creek agrees to pay to the DEQ/AQD the amount of seventeen thousand and one hundred dollars and no cents (\$17,100.00) as a stipulated penalty to resolve the violations alleged in the Notice of Violation and the additional violations alleged in paragraphs 6 through 8 above. Thunder Creek agrees to make full payment by check made payable to the Wyoming DEQ/AQD, within thirty (30) days after Thunder Creek has been notified by DEQ/AQD that the final signature has been affixed to this Agreement. Thunder Creek agrees to mail the payment to Jeremiah Williamson, Assistant Attorney General, 123 State Capitol, Cheyenne, WY 82002.

12. Thunder Creek, by entering into this Agreement, does not concede or admit to any liability or fault, and this Agreement constitutes no admission of liability, fault, or noncompliance with any allegations, findings, determinations or conclusions contained in this Agreement or in the Notice of Violation. Except as specifically provided for herein, nothing in this Agreement shall prejudice, waive or impair any right, remedy, or defense that Thunder Creek may have against any entity.

13. Full compliance with this signed Agreement shall constitute full satisfaction for all claims by the DEQ/AQD against Thunder Creek, its affiliates, successors and assigns that are based on the Notice of Violation or the allegations in paragraphs 6 through 8 above and, solely in reliance on this Agreement, the DEQ/AQD will refrain from taking further enforcement action against Thunder Creek, its affiliates, successors and assigns for these

particular alleged violations. With this Agreement, the Parties intend to resolve with prejudice all allegations that were asserted in the Notice of Violation and otherwise set forth in this Agreement.

14. In the event that Thunder Creek fails to fulfill its obligations under this Agreement, Thunder Creek waives any statute of limitation claims that may apply in an enforcement action by the DEQ/AQD involving the specific matters described in the Notice of Violation and otherwise set forth in this Agreement.

15. This Agreement shall be admissible by either Thunder Creek or the DEQ/AQD without objection by the other only in an action between DEQ/AQD and Thunder Creek relating to the violations alleged herein.

16. Neither DEQ/AQD nor Thunder Creek shall have any claim against the other for attorneys' fees or other costs incurred with the allegations resolved hereby, including costs incurred in the preparation of this Agreement. Each party shall bear its own attorney fees and costs, if any, incurred through the date this Agreement is signed by both parties. Each party assumes the risk of any liability arising from its own conduct. Neither party agrees to insure, defend or indemnify the other.

17. Any changes, modifications, revisions, or amendments to this Agreement that are mutually agreed upon by the parties shall be incorporated by written instrument, executed and signed by all parties to this Agreement.

18. The construction, interpretation, and enforcement of this Agreement shall be governed by the laws of the State of Wyoming. The Courts of the State of Wyoming shall have jurisdiction over this Agreement and the parties, and the venue shall be the First Judicial District, Laramie County, Wyoming.

19. This Agreement, consisting of four (4) pages represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.

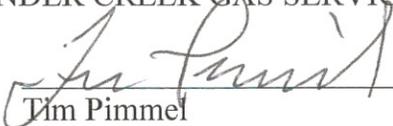
20. The State of Wyoming and the DEQ/AQD do not waive sovereign immunity by entering into this Agreement and specifically retain immunity and all defenses available to them as sovereigns pursuant to Wyo. Stat. Ann. § 1-39-104(a) and all other state law.

21. Except as provided in Section 13, the parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Agreement shall not be construed so as to create such status. The rights, duties and obligations contained in this Agreement shall operate only between the parties to this Agreement and shall inure solely to the benefit of the parties to this Agreement. The parties to this Agreement intend and expressly agree that only parties signatory to this Agreement shall have any legal or equitable right to seek to enforce this Agreement, to seek any remedy arising out of a party's performance or failure to perform any term or condition of this Agreement, or to bring an action for the breach of this Agreement.

22. Each party represents that they are authorized to enter into this Agreement, agree to comply with and to be bound by the terms of this Agreement, and further agree that they will not contest the basis or validity of this Agreement. This Agreement shall become binding upon the parties once executed by all parties.

IN WITNESS THEREOF, the parties, by their duly authorized representatives, have executed this Agreement on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Agreement:

THUNDER CREEK GAS SERVICES, L.L.C.:

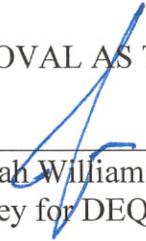
By:  1/8/14
Tim Pimmel Date
Senior Vice President of Engineering

STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY:

By:  1-13-14
Steven A. Dietrich, AQD Administrator Date

By:  1/14/2014
Todd Parfitt, DEQ Director Date

APPROVAL AS TO FORM:

 1/9/14
Jeremiah Williamson, Assistant Attorney General Date
Attorney for DEQ/AQD