



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 3, 2014

Ms. Carissa Krey
Senior EHS Representative
Anadarko E&P Onshore, LLC
P.O. Box 173779
Denver, CO 80217-3779

RE: Notice of Violation

Dear Ms. Krey:

Enclosed you will find a Notice of Violation (NOV) issued to Anadarko E&P Onshore, LLC by the Department of Environmental Quality, Air Quality Division, for failing to control emissions from the Clyde Federal 12-26D Pad, which consist of wellsites 42-26D, 43-26D, 12-26D, 31-26D, 41-26D, and 32-26D, located in Sweetwater County, Wyoming. These violations were discovered by Mr. Jeff Wendt on December 30, 2013. During the inspection it was noted by Mr. Wendt that a tank thief hatch was leaking, venting vapors to the atmosphere. By failing to control emissions from the Clyde Federal 12-26D Pad facility, Anadarko E & P Company, LP has not followed the Oil and Gas Production Facilities Chapter 6, Section 2 Permitting Guidance. This facility was not yet permitted at the time of the inspection. A permit application, AP- 15904, was received on January 14, 2014, which complies with the construction permitting requirements of Chapter 6, Section 2(j) of the Wyoming Air Quality Standards and Regulations.

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. Ann Shed, 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. Ann Shed.

Sincerely,

Steven A. Dietrich
Administrator
Air Quality Division

cc: Fred DiLella, Ann Shed, Tony Hoyt, Jeremiah Williamson, Elizabeth Lyon, Keith Guille



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

IN THE MATTER OF THE NOTICE OF VIOLATION)
ISSUED TO ANADARKO E&P ONSHORE, LLC) **DOCKET NO. 5403-14**
MS. CARISSA KREY)
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 Anadarko E&P Onshore, LLC to be in violation 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 in the operation of the Clyde Federal 12-26D Pad gas/condensate central production facility located in Sweetwater 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. Chapter 6, Section 2(a)(i) of the WAQSR 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."

5. The Air Quality Division issued the Chapter 6, Section 2 Permitting Guidance for Oil and Gas Production Facilities in June 1997 with revisions in November 1998, January 2000, August 2001, August 2007, and March 2010. This guidance was developed to familiarize oil and gas production facilities with the Wyoming air quality regulations and to provide guidance to these facilities on what the Air Quality Division would accept as meeting the intent of Wyoming's regulatory requirement to obtain a construction permit prior to the construction or operation of new air emission sources (Chapter 6, Section 2(a)(i) of the Wyoming Air Quality Standards and Regulations). Companies may follow the Oil and Gas Production Facilities Chapter 6, Section 2 Permitting Guidance, or must, prior to construction of a new air emission source, obtain a Chapter 6, Section 2 permit.

6. In accordance with the March 2010 Oil and Gas Production Facilities Permitting Guidance Flashing emissions are defined as "For the purpose of determining flashing emissions all vapor streams containing VOC or HAP components from all storage tanks and all separation vessels at a facility which are or may be vented to the atmosphere shall be considered." The March 2010 Oil and Gas Production Facilities Permitting Guidance states that for new pad facilities "upon the first date of production, VOC and HAP flashing emissions shall be controlled..."

5. On December 30, 2013, Mr. Jeff Wendt, Air Quality Division Engineer/Inspector, observed that vapors were venting from a tank thief hatch. Venting vapors and not routing vapors to an emission control device are violations of the March 2010 Oil and Gas Production Facilities Permitting Guidance.

6. Said violations consist of venting vapors and not routing vapors to an emission control device at the Clyde Federal 12-26D Pad facility located in Sweetwater, Wyoming. Venting vapors and not routing vapors to a control device are violations of the March 2010 Oil and Gas Production Facilities

Permitting Guidance.

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 3rd day of APRIL, 2014.



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.)