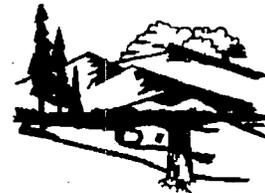




# Department of Environmental Quality



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

Dave Freudenthal, Governor

John Corra, Director

May 14, 2009

Ms. Sharon Good  
Environmental Analyst Air Quality  
Mountain Gas Resources  
PO BOX 173779  
Denver, CO 80217-3779

RE: Notice of Violation

Dear Ms. Good:

Enclosed is a Notice of Violation issued to Mountain Gas Resources for the failure to obtain an operating permit for the Hay Reservoir Central Compressor Station located in Sweetwater County, Wyoming. The Air Quality Division's review of emissions for the Hay Reservoir Central Compressor Station indicates that the facility is a major source and would require an operating permit.

As the Department and this Division consider the failure to comply with the regulatory requirement to obtain the necessary permits to be a serious matter, I am recommending that 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 action on the referral by 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,

David A. Finley  
Administrator  
Air Quality Division

cc: Bob Gill  
Tony Hoyt  
Nancy Vehr  
~~Keith Guille~~

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

ADMIN/OUTREACH (307) 777-7937 FAX 777-3610	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	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
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**BEFORE THE  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
STATE OF WYOMING**

**IN THE MATTER OF THE NOTICE OF VIOLATION  
ISSUED TO MOUNTAIN GAS RESOURCES  
MS. SHARON GOOD,  
ENVIRONMENTAL ANALYST AIR QUALITY  
PO BOX 173779, DENVER, CO 80217-3779**

**DOCKET NO. 4500-09**

**NOTICE OF VIOLATION**

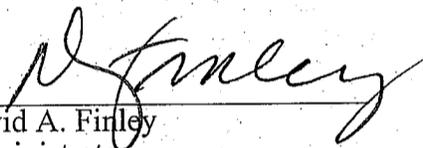
**NOTICE IS HEREBY GIVEN THAT:**

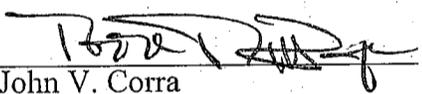
1. The Department of Environmental Quality, Division of Air Quality, has found Mountain Gas Resources to be in violation of permitting requirements as dictated through W.S. 35-11-203 through W.S. 35-11-206 of the Wyoming Environmental Quality Act and Chapter 6, Section 3 of the Wyoming Air Quality Standards and Regulations in the operation of the Hay Reservoir Central Compressor Station located in Sweetwater County, Wyoming.
2. W.S. 35-11-203 through W.S. 35-11-206 establishes the state operating permit program for major sources to include, sources subject to the operating permit program, procedures for applying for an operating permit, review of permit applications and issuance of such permits.
3. Chapter 6, Section 3 of the Wyoming Air Quality Standards and Regulations prescribes the applicability and procedures for issuing permits to major sources under Wyoming's operating permit program.
4. Chapter 6, Section 3(c) of the Wyoming Air Quality Standards and Regulations states: "Any stationary source or group of stationary sources subject to this section shall submit a timely and complete permit application in accordance with this paragraph."
5. Chapter 6, Section 3(c)(i)(A) of the Wyoming Air Quality Standards and Regulations states: "A timely application for a source applying for an operating permit under this section for the first time is one that is submitted to the Division within twelve (12) months after the source becomes subject to this section."
6. On March 17, 2009, Mr. Nicholas Czarnecki, Air Quality Engineer reviewed the 2008 Emission Inventory submitted by Mountain Gas Resources for the Hay Reservoir Central Compressor Station. During this review, Mr. Czarnecki noted that the facility appears to have installed engines which would give a total potential to emit of 114 Tons Per Year (TPY) of Carbon Monoxide (CO), which would make this a major source under current standards. The facility began operations of the equipment that would make the facility subject to the operating permit requirements on July 25, 2007. In accordance with Chapter 6, Section 3(c)(i)(A), this facility would have needed to submit a permit application for an operating permit by July 25, 2008. Mountain Gas Resources had not applied for an operating permit for this facility.
7. Said violation consists of the failure to obtain an operating permit for the Hay Reservoir Central Compressor Station in violation W.S. 35-11-203 through W.S. 35-11-206 of the Wyoming Environmental Quality Act and Chapter 6, Section 3 of the Wyoming Air Quality Standards and Regulations.

8. 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.

9. 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 29<sup>th</sup> day of May, 2009.

  
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David A. Finley  
Administrator  
Air Quality Division

  
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John V. Corra  
Director  
Department of Environmental Quality

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