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

July 22, 2014

Mr. Dean Rogers
Sundance Energy, Inc.
833 17th Street, Suite 1950
Denver, Colorado 80202

RE: Notice of Violation

Dear Mr. Rogers:

Enclosed you will find a Notice of Violation (NOV) issued to Sundance Energy, Inc. by the Department of Environmental Quality, Air Quality Division, for failing to obtain an air quality permit for the Fairbanks Moorse engine at the Konig 2-11H well site located in Laramie County, Wyoming. This is a violation of Chapter 6, Section 2(a)(i) of the Wyoming Air Quality Standards and Regulations. This violation was discovered by Mr. Brian Olson and Mr. Glenn Spangler, of the Air Quality Division, on June 3, 2014.

As the Department and this Division consider the failure to comply with 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. 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

Steven A. Dietrich
Administrator
Air Quality Division

cc: Fred DiLella
Ann Shed
Glenn Spangler
Elizabeth Lyon
Keith Guille

BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF VIOLATION	)	
ISSUED TO SUNDANCE ENERGY, INC	)	**DOCKET NO. 5441-14**
MR. DEAN ROGERS	)	
833 17th STREET, SUITE 1950	)	
DENVER, COLORADO 80202	)	

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Air Quality Division, has found Sundance Energy, Inc. to be in violation of W.S. 35-11-801 of the Wyoming Environmental Quality Act and Chapter 6, Section 2(a)(i) of the Wyoming Air Quality Standards and Regulations (WAQSR) for the Konig 2-11H well site located in Laramie 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 WAQSR 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. On June 3, 2014, Mr. Brian Olson and Mr. Glenn Spangler, Air Quality Division Engineers, observed an unpermitted Fairbanks Moorse engine operating at the facility. The presence of an unpermitted engine is a violation of Chapter 6, Section 2(a)(i) of the WAQSR.

6. Said violation consists of failing to obtain an air quality permit for the Fairbanks Moorse engine at the Konig 2-11H well site, which is a violation of Chapter 6, Section 2(a)(i) of the WAQSR.

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 22nd day of JULY, 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.)