



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

October 24, 2014

Mr. Chuck Sawyer
VP Project Development
Ryckman Creek Resources, LLC
1600 Broadway, Suite 1600
Denver, CO 80202

RE: Notice of Violation

Dear Mr. Sawyer:

Enclosed you will find a Notice of Violation (NOV) issued to Ryckman Creek Resources, LLC by the Department of Environmental Quality, Air Quality Division, for failure to comply with permit requirements for initial performance testing, routing vapors to the emission control devices and venting vapors at the Ryckman Creek Plant located in Uinta County, Wyoming. These violations of permit MD-12204 were noted by Mr. Jared Beck on May 28, 2014.

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
Tony Hoyt
Elizabeth Lyon
Landon Brown



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

**IN THE MATTER OF THE NOTICE OF VIOLATION)
ISSUED TO RYCKMAN CREEK RESOURCES, LLC) DOCKET NO. 5494 -14
MR. CHUCK SAWYER)
1600 BROADWAY, SUITE 1600)
DENVER, CO 80202)**

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found Ryckman Creek Resources, LLC to be in violation of permit MD-12204. 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 Ryckman Creek Plant located in Uinta 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-12204 was issued to Ryckman Creek Resources, LLC on September 27, 2011 for the Ryckman Creek Plant. Conditions 7 and 8 of this permit require performance testing as follows:

Condition 7:

"That performance tests be conducted, in accordance with Chapter 6, Section 2(j) of the WAQSR, within thirty (30) days of achieving a maximum design rate but not later than ninety (90) days following initial startup, and a written report of the results be submitted. The operator shall provide fifteen (15) days prior notice of the test date. If a maximum design rate is not achieved within ninety (90) days of startup, the Administrator may require testing be done at the rate achieved and again when a maximum rate is achieved."

Condition 8:

"Initial performance tests, as required by condition 7 of this permit, shall be conducted on the following sources:"

"ii. Amine Still Vent (ASV-01)"

5. On May 28, 2014, Mr. Jared Beck noted in records obtained during the inspection, that the amine unit had operated for 81 days, shut down, then restarted for an additional 7 days. In a follow-up review of information provided by Ryckman Creek Resources, LLC, it was noted that the amine unit operated longer than was reported at the time of the inspection. The amine still vent operated for at least 6 months without initial performance testing being conducted. The failure to conduct the required testing is a violation of conditions 7 and 8 of permit MD-12204.

6. Conditions 13 and 24 of permit MD-12204 require control of VOC and HAP emissions as follows:

Condition 13:

"Vapors from truck loading losses (TLO-01), shall be routed to the thermal oxidizer (TO-01) to eliminate the mass content of VOC and HAPs in the vapors..."

Condition 24:

"Emission control equipment, including the VOC and HAP emission control system or device, 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..."

7. On May 28, 2014, Mr. Jared Beck, Air Quality Division Engineer/Inspector, observed that vapors from truck loading were not routed to the control equipment. The failure to control VOC and HAP emissions are violations of conditions 13 and 24 of permit MD-12204.

8. Said violations consist of failure to comply with permit requirements for initial performance testing, routing vapors to the emission control devices and venting vapors at the Ryckman Creek Plant located in Uinta, Wyoming, as required by conditions 7, 8, 13 and 24 of permit MD-12204.

9. 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.

10. 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 24th day of OCTOBER, 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.)