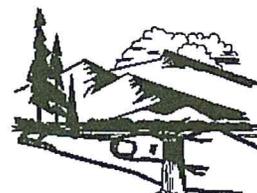




# Department of Environmental Quality

*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 16, 2015

Mr. Tim Barber  
Rockies Division Regulatory Manager  
Yates Petroleum Corporation  
P.O. Box 2560  
Gillette, WY 82717

CERTIFIED MAIL

RE: Notice of Violation  
Docket #5620-15

Dear Mr. Barber:

Enclosed you will find a Notice of Violation (NOV) issued to Yates Petroleum Corporation by the Department of Environmental Quality, Air Quality Division, for failing to comply with permit requirements for routing vapors to the emission control devices and venting vapors at the Blue Rim State 4 facility located in Sublette County, Wyoming. These violations of permit MD-13091A2 were observed by an Air Quality Division Engineer/Inspector on July 27, 2015.

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 these violations 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 Ms. Ann Shed.

Sincerely,

Cole Anderson  
Interim Administrator  
Air Quality Division

cc: Fred Dilella  
Ann Shed  
Landon Brown  
Tony Hoyt  
Elizabeth Morrisseau

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

ADMIN/OUTREACH (307) 777-7758 FAX 777-7682	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 YATES PETROLEUM CORPORATION ) DOCKET NO. 5620-15  
MR. TIM BARBER )  
P.O. BOX 2560 )  
GILLETTE, WY 82717 )**

**NOTICE OF VIOLATION**

**NOTICE IS HEREBY GIVEN THAT:**

1. The Department of Environmental Quality, Division of Air Quality, has found Yates Petroleum Corporation, to be in violation of permit MD-13091A2 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 (WAQSR) for the Blue Rim State 4 facility located in Sublette 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. Permit MD-13091A2 was issued to Yates Petroleum Corporation on October 18, 2013 for the Blue Rim State 4 facility. Condition 18 requires control of emissions as follows:

"Emission control equipment, including the VOC and HAP emission control systems or devices, reboiler overheads condensers and 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..."

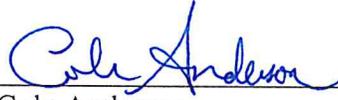
5. On July 27, 2015, an Air Quality Division Engineer/Inspector, observed that vapors were venting from the pneumatic controllers. Venting vapors and not routing vapors to the emission control device are violations of condition 18 of permit MD-13091A2.

6. Said violations consist of venting vapors and not routing vapors to the emission control devices at the Blue Rim State 4 facility located in Sublette, Wyoming. Venting vapors and not routing vapors to a control device are violations of permit MD-13091A2.

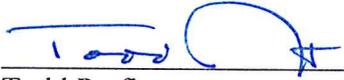
7. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental 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 16 day of October, 2015.



Cole Anderson  
Interim Administrator  
Air Quality Division



Todd Parfitt  
Director  
Department of Environmental Quality

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