BEFORE THE

DEPARTMENT OF ENVIRONMENTAL QUALITY

STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF VIOLATION ISSUED TO:	)	
Bhaskar Rao Chadalvada and Valerie Roth Chad Oils, Inc. P.O. Box 190 Pine Bluffs, Wyoming 82082	)	DOCKET NUMBER 4047-07

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. Chad Oils, Inc., currently owns and operates the Ampride underground storage tank (UST) facility number 0-003713, located at 706 Parsons Street, Pine Bluffs, Wyoming. This facility has five (5) USTs. Automatic tank gauging (ATG) and inventory control (IC) are used as the monthly UST leak detection methods.

2. On December 12, 2006, this department conducted an inspection of the facility. During the inspection, passing ATG records were not made available to the inspectors. On December 20, 2006, the facility manager wrote a letter to the department stating: "Ampride has a Gilbarco system. In order for the tests to pass, we need the tanks at least half full. We have not been able to keep them at that level, with the fluctuating prices and competition being so strong."

   When ATG is used as the leak detection method for an UST, a suspected release must be reported whenever ATG does not report a passing result for any calendar month. No suspected releases have been reported for this facility. Failure to properly conduct automatic tank gauging is a violation of Wyoming Water Quality Rules and Regulations (WWQRR) Chapter 17, Section 16 (c), which states: *"(c) Automatic tank gauging (ATG). Equipment for automatic tank gauging that test for the loss of a regulated substance shall detect a 0.2 gallon per hour leak rate from any portion of the tank that routinely contains a regulated substance."*

   Failure to report and investigate suspected releases is a violation of WWQRR Chapter 17, Section 16 (c) (ii), which states: "operators using automatic tank gauging shall also: (ii) report a suspected release and follow the requirements of Section 19(c) of this chapter whenever: Any calendar month goes by when a passing result cannot be obtained from the ATG sometime during the month; A pattern becomes evident that the ATG produces a failing result whenever the level of a regulated substance in the tank is high, even if passing results can be obtained when the level is low; Inventory control fails for the second consecutive month;"

   and Section 19 (c), which states: "Reporting of Suspected Releases. Owners and/or operators of storage tank systems shall orally report to the department within twenty-four (24) hours all releases or suspected releases in accordance with Section 22 and follow the procedures of Section 22. Owners of sites where storage tanks were formerly located shall also report within seven (7) days after discovering any new evidence of a release;"

   and Section 20, which states: " Owners and/or operators of storage tanks who are eligible for cleanup under the Corrective Action Account shall immediately investigate and confirm all suspected releases of regulated substances requiring reporting under Section 19 within seven (7) days of detection."

3. Chad Oils, Inc., has violated WWQRR Chapter 17, Section 16 (c)(ii); Section 19 (c); and Section 20.

4. This Notice is being sent to you pursuant to W.S. 35-11-701(c)(i), 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.

NOTHING IN THIS NOTICE OF VIOLATION (NOV) shall be interpreted to in any way limit or contravene any other remedy available under the Environmental Quality Act, nor shall this NOV be interpreted as being a condition precedent to any other enforcement action.

SIGNED this 18 day of APRIL, 2007

John V. Corra
Director
Department of Environmental Quality

LeRoy C. Feusner, P.E., BCEE
Administrator
Solid and Hazardous Waste Management Division

PLEASE DIRECT ALL INQUIRIES TO: Robert Lucht, P.E. & P.G., Storage Tank Program Compliance Supervisor at 122 West 25th Street, Fourth Floor, West Wing, Cheyenne, WY 82002, (307) 777-7095 or (307) 777-5973 FAX for technical matters.

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