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

CERTIFIED MAIL

August 11, 2006

Mr. Randy Maxey
Senior Regulatory Specialist
Devon Energy Production Company, L.P.
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

RE: Notice of Violation and Order, Docket Number 3878-06

Dear Mr. Maxey:

Attached is a Notice of Violation and Order Docket Number **3878-06** for the unauthorized discharge of coal bed methane (CBM) produced water by Devon Energy Production Company, L.P. (Devon) from an on-channel reservoir. The reservoir, which receives CBM produced water from outfall 003 of WYPDES permit WY0042595 is a full containment reservoir. Over a weekend it was noted by Devon personal that water was released from the reservoir and allowed to flow to a stock reservoir located approximately a half mile down stream.

ANY APPEALS TO THE ENVIRONMENTAL QUALITY COUNCIL FROM THE ATTACHED ORDER MUST BE MADE IN WRITING WITHIN THE TEN (10) DAY TIME LIMIT PRESCRIBED BY W.S. 35-11-701(c). Chapter I, Section 3 of the enclosed Department of Environmental Quality Rules of Practice and Procedure sets forth the requirements for the initiation of appeal proceedings. You are urged to review all of the provisions of the attached Rules of Practice and Procedures as they relate to this action.

To appeal this Order and request a hearing, you must file two (2) copies of your written petition. The first petition shall be mailed to the Chairman of the Environmental Quality Council at Room 1714, Herschler Building, 1st Floor West, 122 West 25th Street, Cheyenne, Wyoming 82002. The second petition should be sent to John V. Corra, Director, Wyoming Department of Environmental Quality, Herschler Building, 4th West, 122 West 25th Street, Cheyenne, Wyoming 82002. Both petitions must be sent by certified mail, return receipt requested.

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

ADMIN/OUTREACH	ABANDONED MINES	AIR QUALITY	INDUSTRIAL SITING	LAND QUALITY	SOLID & HAZ. WASTE	WATER QUALITY
(307) 777-7758	(307) 777-6145	(307) 777-7391	(307) 777-7369	(307) 777-7756	(307) 777-7752	(307) 777-7781
FAX 777-3610	FAX 777-6462	FAX 777-5616	FAX 777-6937	FAX 777-5864	FAX 777-5973	FAX 777-5973

PLEASE DIRECT ALL INQUIRIES TO: Brian R. Bohlmann, P.E., WYPDES Compliance & Enforcement Coordinator at the Wyoming Department of Environmental Quality, Water Quality Division, Herschler Building, 4th Floor West, 122 West 25th Street, Cheyenne, Wyoming 82002. Telephone 307-777-8669.

John V. Corra
Director
Department of Environmental Quality

John F. Wagner
Administrator
Water Quality Division

JVC/JFW/BRB/bb/6-0722.LTR

Enclosure: Notice of Violation

cc: Colleen Gillespie, 8ENF-W-NP, EPA Region 8
Brian R. Bohlmann, P.E., WYPDES Compliance & Enforcement Coordinator
James B. Eisenhauer, WYPDES Inspection Coordinator, Sheridan DEQ office
Bill J. DiRienzo ► Brian K. Lovett ► Leah J. Krafft
IPS (for scanning) ► Docket 3878-06
Keith Guille, DEQ Public Information Officer (PDF File Only)
DEQ Director
Environmental Quality Council

BEFORE THE

ENVIRONMENTAL QUALITY COUNCIL

STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF VIOLATION AND ORDER ISSUED TO:	)	
Devon Energy Production Company, L.P. **20 North Broadway** **Oklahoma City, Oklahoma 73102-8260**	)	**DOCKET NUMBER 3878-06**

NOTICE OF VIOLATION

AND

ORDER

NOTICE IS HEREBY GIVEN THAT:

1. Devon Energy Production Company, L.P. (Devon) is the owner/operator of the New Deal Draw coal bed methane (CBM) facility located in the Southwest ¼ of the Southwest ¼ in Section 6, Township 55 North, Range 74 West (SWSW ¼, Sec 6, T55N, R74W), Campbell County, Wyoming. WYPDES permit WY0042595 was issued to Devon on September 17, 2001 and expires on September 16, 2006;

2. On July 18, 2006, the Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD) conducted a field inspection of the CBM reservoir associated with outfall 003 of WYPDES permit WY0042595. As had been previously reported to the WQD, a landowner had opened the discharge valve from the reservoir in order to fill a stock reservoir located approximately a half mile downstream. This resulted in the unauthorized discharge of CBM produced water to the on-channel stock reservoir on an unnamed ephemeral tributary (a class 3B water) to New Deal Draw (a class 3B water), which is a tributary to LX Bar Creek (a class 3B water), which is a tributary to the Powder River (a class 2AB water). The unauthorized discharge occurred in Campbell County;

3. Part I.A.1. of WYPDES permit WY0042595 states the following: ***"... No discharge is authorized from the reservoirs. ..."*** Since a valve was opened and CBM produced water was allowed to discharge from the reservoir associated with outfall 003, Devon is in violation of Part I.A.1. of WYPDES permit WY0042595;

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;

ORDER

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL – STATE OF WYOMING

WHEREFORE IT IS HEREBY ORDERED THAT:

1. Devon Energy Production Company, L.P. (Devon) shall submit a permit application to the Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD) to modify WYPDES permit WY0042595. The permit application shall request the use of multiple on-channel reservoirs below each permitted outfall. Multiple on-channel reservoirs shall only be allowed for use where Devon can demonstrate that no irrigation activities occur between the reservoirs. All other permit conditions shall remain the same.

2. Devon shall submit the above requested permit application to modify WYPDES permit WY0042595 to the WQD on or before September 29, 2006.

3. Devon shall inform the WQD in writing of the steps taken to prevent this type of violation from occurring again. This information shall be received by the WQD on or before September 15, 2006.

This ORDER is final unless, no later than ten (10) days after the date this notice is received it is appealed by filing a written request for a hearing before the Environmental Quality Council. If a hearing is requested, the first hearing petition shall be mailed to the Chairman, Wyoming Environmental Quality Council, Room 1714 Herschler Building, 1st Floor West, 122 West 25th St., Cheyenne, Wyoming 82002. The second petition shall be mailed to the Director, Wyoming Department of the Environmental Quality, Herschler Building, 4th Floor West, 122 West 25th St., Cheyenne, Wyoming 82002. Both petitions must be sent by certified mail, return receipt requested.

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

Ordered this 11 day of August, 2006.

John V. Corra
Director
Department of Environmental Quality

John F. Wagner
Administrator
Water Quality Division

PLEASE DIRECT ALL INQUIRIES TO: Brian R. Bohlmann, P.E., WYPDES Compliance & Enforcement Coordinator at the Wyoming Department of Environmental Quality, Water Quality Division, Herschler Building, 4th Floor West, 122 West 25th Street, Cheyenne, Wyoming 82002. Telephone 307-777-8669.

JVC/JFW/BRB/bb/6-0722.NOV

cc: Colleen Gillespie, 8ENF-W-NP, EPA Region 8
Brian R. Bohlmann, P.E., WYPDES Compliance & Enforcement Coordinator
James B. Eisenhauer, WYPDES Inspection Coordinator, Sheridan DEQ office
Bill J. DiRienzo ► Brian K. Lovett ► Leah J. Krafft
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