

BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

**IN THE MATTER OF THE NOTICE OF
VIOLATION & ORDER ISSUED TO:**

Mr. Alan E. Vrooman
PRB CBM Permitting Director
Petro-Canada Resources (USA) Inc.
1099 18th St, Suite 400
Denver, CO 80202-1904

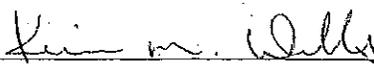
**DOCKET NUMBERS 3857-06 and
3953-06**

NOTICE OF COMPLIANCE

The Department of Environmental Quality (DEQ), Water Quality Division (WQD) issued Notice of Violation Docket Numbers 3857-06 and 3953-06 to Petro-Canada Resources (USA) Inc. (Petro-Canada) on May 30, 2006 and October 24, 2006. The NOV's alleged that Petro-Canada was in violation for iron staining and discharged coal bed methane (CBM) produced water to "waters of the state" under the Wyoming Environmental Quality Act (Act) and applicable Wyoming Water Quality Rules and Regulations (WWQRR).

The Notice of Violation required Petro-Canada to pay a total penalty of seventeen thousand six hundred dollars and no cents (\$17,600.00) to the DEQ. Based on the May 17, 2007 letter and receipt of the \$17,600.00 penalty by DEQ, Petro-Canada has complied with the conditions of the Settlement Agreement for Docket Number 3857-06 and 3953-06 and the DEQ finds that all terms have been satisfied.

Dated this 23 day of May, 2007.



Kevin M. Wells
WYPDES Compliance & Enforcement Coordinator
Water Quality Division
Wyoming DEQ

KMW/bb/7-0425.NOTC

Cc: Aaron Urdiales, 8ENF-W-NP, EPA Region 8 (PDF)
James B. Eisenhauer, WYPDES Inspection Coordinator, Sheridan DEQ Office (PDF)
Mike Barrash, Senior Assistant Attorney General
Bill J. DiRienzo ► Brian K. Lovett ► Leah J. Krafft
IPS (for scanning) ► Dockets 3857-06 and 3953-06
Keith Guille, DEQ Public Information Officer (PDF)