



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

July 23, 2007

RIM Operating
Mr. Jason Rouse
5 Inverness Drive East
Englewood, CO 80112

RE: Notice of Violation, Docket Number 4089-07

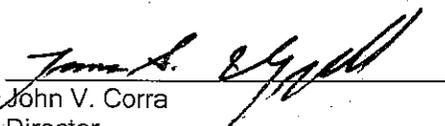
To Whom It May Concern:

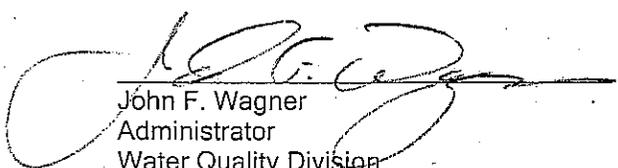
Attached is a copy of a Notice of Violation, Docket Number 4089-07, issued to RIM Operating (RIM) for unpermitted discharges in violation of W.S. 35-11-301.

While neither the attached Notice of Violation nor this letter constitutes an order, this office strongly urges you to take action to immediately eliminate the alleged violations as follows:

1. RIM should immediately cease all discharge from the identified unpermitted outfall until discharge is authorized.
2. RIM should provide the Water Quality Division (WQD) with an application for authorization to discharge under the WYPDES program.
3. RIM should provide documentation showing when the transfer of ownership occurred from Lance Oil and Gas Company, Inc (Well ID 24-29-4671 and 13-32-4671) and include production logs for these two wells from the date of transfer to the date when discharge from outfall #002 ceased.

The WQD has the authority to resolve violations with an out-of-court settlement agreement through the payment of a penalty by Reliance. If RIM desires to pursue resolution of the previously noted violations through such an agreement, please contact Mr. Kevin M. Wells, WYPDES Compliance & Enforcement Coordinator, at (307) 777-8669 on or before July 10, 2007 to set up a meeting to discuss this matter.


 John V. Corra
 Director
 Department of Environmental Quality


 John F. Wagner
 Administrator
 Water Quality Division

JVC/JFW/KMW/bb/rm/7-0580

Enclosure: Notice of Violation

cc: Aaron Urdiales, 8ENF-W-NP, EPA Region 8
Craig Toal, WYPDES Inspector, Casper DEQ office (PDF)
Bill J. DiRienzo ► Brian K. Lovett ► Leah J. Krafft
IPS (for scanning) ► NOV Docket 4089-07
Keith Guile, DEQ Public Information Officer (PDF)

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

ADMIN/OUTREACH
(307) 777-7937
FAX 777-3610

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



BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF)
VIOLATION ISSUED TO:)

RIM Operating)
Mr. Jason Rouse)
5 Inverness Drive East)
Englewood, CO 80112)

DOCKET NUMBER 4089-07

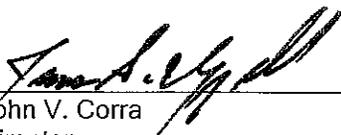
NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

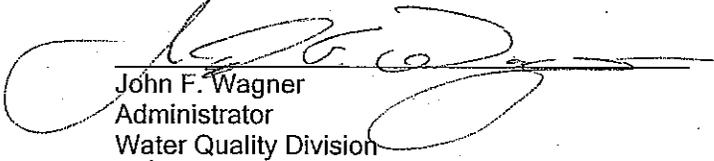
1. Rim Operating (RIM) is the owner/operator of coal bed methane (CBM) production facilities in Weston County, Wyoming.
2. On February 21, 2007 the Water Quality Division conducted an inspection of CBM facilities operated by Lance Oil and Gas Company (Lance) and found a discharge occurring at Lance's WY0051616 outfall 002. Lance determined that this was not their discharge and felt it was being produced by two wells owned by RIM. Subsequent investigation determined that the discharge was production water from two CBM wells owned and operated by RIM. RIM has not conducted sampling or reporting for this outfall.
3. RIM does not have authorization through the WYPDES permit system. Therefore any discharge of production water is a violation of W.S. 35-11-301.
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.
5. Pursuant to Wyoming Statute 35-11-901(a), any person who violates, or any director, officer or agent of a corporate permittee who willingly and knowingly authorizes, orders or carries out the violation of any provision of the Environmental Quality Act (Act), or any rule, regulation, standard or permit adopted hereunder or who violates any determination or order of the council pursuant to this act or any rule, regulation, standard, permit, license or variance is subject to a penalty not to exceed ten thousand dollars and no cents (\$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. The penalty may be recovered in a civil action brought by the Attorney General in the name of the People of the State of Wyoming. Nothing herein shall preclude the department from negotiating stipulated settlements involving the payment of a penalty, implementation of compliance schedules or other settlement conditions, in lieu of litigation.

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 23rd day of June, 2007.



John V. Corra
Director
Department of Environmental Quality



John F. Wagner
Administrator
Water Quality Division

PLEASE DIRECT ALL INQUIRIES TO: Kevin Wells, WYPDES Compliance & Enforcement Coordinator, 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/KMW/bb/rm/7-0580

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DEQ Director