

BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

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

Mr. Jim Kostrzewa
Federated Oil and Gas Properties
PO Box 964
Traverse City MI 49685

DOCKET NUMBER 4055-07

NOTICE OF COMPLIANCE

The Department of Environmental Quality (DEQ), Water Quality Division (WQD) issued Notice of Violation Docket Number 4055-07 on June 20, 2007 to Federated Oil & Gas Properties, Inc., (Federated). The NOV alleged that Pinnacle discharged coal bed methane (CBM) produced water to "waters of the state" in violation of the Wyoming Environmental Quality Act (Act) and applicable Wyoming Water Quality Rules and Regulations (WWQRR).

The Notice of Violations required Federated to pay a total penalty of seven thousand nine hundred dollars and no cents (\$7,900.00) to the DEQ. Based on the July 2, 2007 letter and receipt of the penalty payment (received September 4, 2007), Federated has complied with the conditions of the Settlement Agreement for Docket Number 4055-07 and the DEQ finds that all terms have been satisfied.

Dated this 5th day of September, 2007.



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

KMW/bb/7-0764

cc: Aaron Urdiales, 8ENF-W-NP, EPA Region 8 (PDF)
James B. Eisenhauer, Sheridan DEQ Office (PDF)
Bill J. DiRienzo ► Brian K. Lovett ► Leah J. Krafft (PDF)
IPS (for scanning) ► Docket 4055-07
Keith Guille, DEQ Public Information Officer