



# 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

October 16, 2007

**CERTIFIED MAIL**

Mr. Alan Williams  
Environmental Health & Safety Manager  
Anadarko Petroleum Corporation  
1999 Broadway, Suite 3700  
Denver, Colorado 80202

*RE: Notice of Violation, Docket Number 4158-07*

Dear Mr. Williams:

Enclosed is a copy of Notice of Violation, Docket Number 4158-07, for the unpermitted discharge of produced water and crude oil into waters of the state by Howell Petroleum Corporation (Howell), a wholly owned subsidiary of Anadarko Petroleum Corporation (Anadarko). From January 1, 2007 through July 31, 2007, Howell reported 44 total spills in the Salt Creek Field to the Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD). Of the 44 spills, 3 reached live waters of the state. These are violations of the Wyoming Environmental Quality Act (Act) and the Wyoming Water Quality Rules and Regulations (WWQRR).

While neither the attached Notice of Violation nor this letter constitute an order, it is the recommendation of this office that you take action to eliminate the alleged violation as follows:

1. Howell should inform the WQD of the steps taken to prevent this type of an unpermitted discharge from occurring again in the future. This information should be received by the WQD on or before November 9, 2007.

**THIS SECTION INTENTIONALLY LEFT BLANK**

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
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*Anadarko Petroleum Corporation*

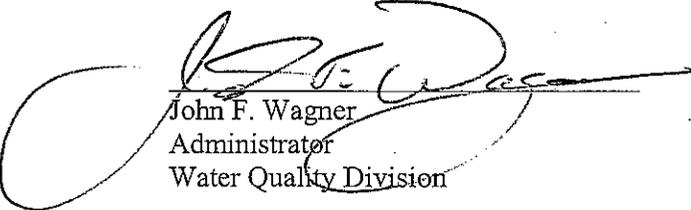
*Mr. Alan Williams*

*October 16, 2007*

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The WQD has the authority to resolve violations with an out-of-court settlement agreement through the payment of a penalty by Howell and Anadarko. If Howell and Anadarko wish 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 November 9, 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/7-0896

Enclosure: Notice of Violation

cc: Aaron Urdiales, 8ENF-W-NP, EPA Region 8 (PDF)  
Bill DiRienzo ► Brian K. Lovett ► Leah J. Krafft  
IPS (for scanning) ► Docket 4158-07  
Keith Guille, DEQ Public Information Officer (PDF File Only)  
DEQ Director

Mr. Richard Waters  
Senior Counsel  
Anadarko Petroleum Corporation  
1999 Broadway, Suite 3700  
Denver, Colorado 80202

**BEFORE THE**  
**DEPARTMENT OF ENVIRONMENTAL QUALITY**

**STATE OF WYOMING**

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

Howell Petroleum Corporation )  
1999 Broadway, Suite 3700 )  
Denver, Colorado 80202 )

DOCKET NUMBER 4158-07

**NOTICE OF VIOLATION**

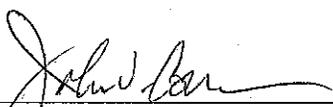
**NOTICE IS HEREBY GIVEN THAT:**

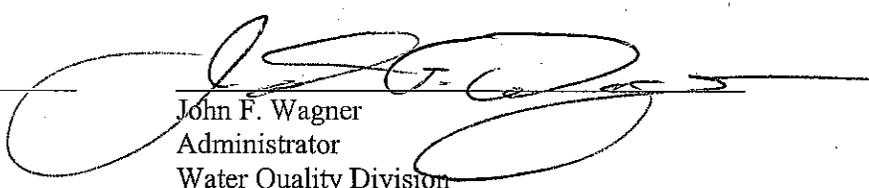
1. Howell Petroleum Corporation (Howell), a wholly owned subsidiary of Anadarko Petroleum Corporation (Anadarko), is the owner/operator of oil and gas facility operations located in Township 40 North, Range 79 West (T40N, R79W), Natrona County, Wyoming; T39N, R79W, Natrona County, Wyoming; T40N, R78W, Natrona County, Wyoming;
2. On February 13, 2007, Howell had a spill of 2500 barrels (105,000 gallons) of produced water due to the failure of an injection line which routed 50 barrels (2100 gallons) of produced water to Salt Creek, Class 2C water, which is a tributary to the Powder River, Class 2AB water. The spill occurred in Natrona County;
3. On April 4, 2007, Howell had a spill of 100 barrels (4200 gallons) of produced water and 5 barrels (210 gallons) of oil due to the corrosion of an eight inch (8") production line which routed 25 barrels (1,050 gallons) of produced water and 5 barrels (210 gallons) to the LACT 11 WYPDES produced water discharge, which discharges to Salt Creek, Class 2C water, which is a tributary to the Powder River, Class 2AB water. The spill occurred in Natrona County;
4. On July 14, 2007, Howell had a spill of 20 barrels (840 gallons) of produced water due to the corrosion of a twelve inch (12") injection line which discharged 5 barrels (210 gallons) of produced water to Salt Creek, Class 2C water, which is a tributary to the Powder River, Class 2AB water. The spill occurred in Natrona County;
5. The discharging of crude oil and associated produced water, and CBM produced water by Howell and/or Anadarko into a "water of the state" is considered "pollution" as defined in W.S. 35-11-103 (c)(i);
6. **The self-reported discharges from January 1, 2007 through July 31, 2007**, referenced above, entered "waters of the state" as defined under W.S. 35-11-103 (c)(vi);
7. By discharging pollution into waters of the state, Howell and Anadarko are in violation of W.S. 35-11-103 (a)(i) and Chapter 2 of the Wyoming Water Quality Rules and Regulations (WWQRR) which state that no person, except when authorized by a permit issued by the Department of Environmental Quality (DEQ), shall cause, threaten or allow the discharge of any pollution or wastes into the waters of the state;
8. The DEQ has no record of permits authorizing the discharge to waters of the state from the locations referenced in the cases described above;

9. 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;
10. 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 17 day of OCTOBER, 2007.

  
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John V. Corra  
Director  
Department of Environmental Quality

  
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John F. Wagner  
Administrator  
Water Quality Division

PLEASE DIRECT ALL INQUIRIES TO: Kevin M. Wells, WYPDES Compliance & Enforcement Coordinator at the Wyoming Department of Environmental Quality, Water Quality Division, Herschler Building, 4<sup>th</sup> Floor West, 122 West 25<sup>th</sup> Street, Cheyenne, Wyoming 82002. Telephone 307-777-8669.

JVC/JFW/KMW/bb/7-0896

cc: Aaron Urdiales, 8ENF-W-NP, EPA Region 8 (PDF)  
Bill DiRienzo ► Brian K. Lovett ► Leah J. Krafft  
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