

**BEFORE THE**  
**DEPARTMENT OF ENVIRONMENTAL QUALITY**  
**STATE OF WYOMING**

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

Mr. Peter G. Schoonmaker  
CEO, President  
Pinnacle Gas Resources, Inc  
1 E Alger  
Sheridan, WY 82801

**DOCKET NUMBER 4347-08**

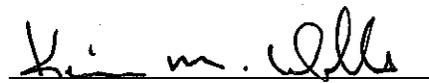
**NOTICE OF COMPLIANCE**

The Department of Environmental Quality (DEQ), Water Quality Division (WQD) issued Notice of Violation Docket Number 4347-08 on September 2, 2008 to Pinnacle Gas Resources, Inc. (Pinnacle). The NOV alleged that Pinnacle had an unpermitted discharge of coal bed methane (CBM) produced water into waters of the state. The unpermitted discharge is a violation with regard to WYPDES permit requirements in violation of the Wyoming Environmental Quality Act (Act) and applicable Wyoming Water Quality Rules and Regulations (WWQRR).

The Settlement Agreement required Pinnacle to pay a penalty and submit in writing actions to be taken to eliminate future unpermitted discharges to DEQ. Based on reviewed information submitted by Pinnacle received October 1, 2008 and receipt of the penalty payment received October 30, 2008, Pinnacle has complied with the conditions of the Settlement Agreement for Docket Number 4347-08 and the DEQ finds that all terms have been satisfied.

The DEQ looks forward to working with Pinnacle in a proactive manner and is available for future quarterly or semi-annual meetings to discuss compliance issues or concerns regarding WYPDES permit requirements.

Dated this 30<sup>th</sup> day of October, 2008.



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

KMW/bb/8-0849

cc: Lee Hanley, 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 4347-08  
Keith Guille, DEQ Public Information Officer