



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

March 31, 2008

Mr. Alan Vrooman
Petro-Canada Resources (USA) Inc.
1099 18th St, Suite 400
Denver, Colorado 80202-1904

RE: Notice of Violation, Docket Number 4241-08

Dear Mr. Vrooman:

Attached is a copy of a Notice of Violation, Docket Number 4241-08, issued to **Petro-Canada Resources (USA) Inc.** (Petro-Canada) for recurring violations of WYPDES permit requirements. Petro-Canada has received Letters of Violation (LOVs) regarding permit violations and has also submitted exceedance notifications to the Wyoming Department of Environmental Quality Water Quality Division in lieu of LOVs.

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

1. Petro-Canada should maintain compliance with all conditions established in their WYPDES permits.
2. Petro-Canada should provide the WQD with an inventory of identified violations, actions to be taken to achieve compliance with permit requirements, and a compliance schedule for completion of each identified action. The report should be presented to the Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD) during discussion to settle this Notice of Violation.

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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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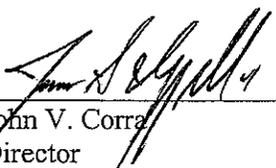


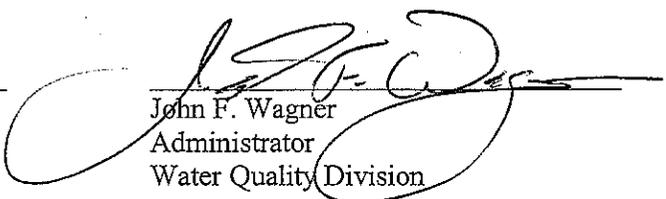
Petro-Canada Resources (USA) Inc.

March 24, 2008

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The WQD has the authority to resolve violations with an out-of-court settlement agreement through the payment of a stipulated penalty and agreement to an enforceable compliance schedule by Petro-Canada. If Petro-Canada wishes 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, or Mr. Brian K. Lovett, WYPDES Inspection & Compliance Supervisor at (307) 777-5630 within 14 days of receipt of this Notice.


John V. Corra
Director
Department of Environmental Quality


John F. Wagner
Administrator
Water Quality Division

JVC/JFW/KMW/bb/8-0248

Enclosure: Notice of Violation

cc: Lee Hanley, 8ENF-W-NP, EPA Region 8 (PDF)
Jim Eisenhauer, Sheridan DEQ Office (PDF)
Bill J. DiRienzo ► Brian K. Lovett ► Leah J. Krafft (PDF)
IPS (for scanning) ► Docket 4241-08
Keith Guille, DEQ Public Information Officer (PDF)

BEFORE THE

DEPARTMENT OF ENVIRONMENTAL QUALITY

STATE OF WYOMING

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

**Petro-Canada Resources (USA) Inc.)
1099 18th St, Suite 400)
Denver, Colorado 80202-1904)**

DOCKET NUMBER 4241-08

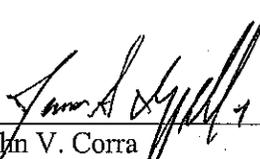
NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

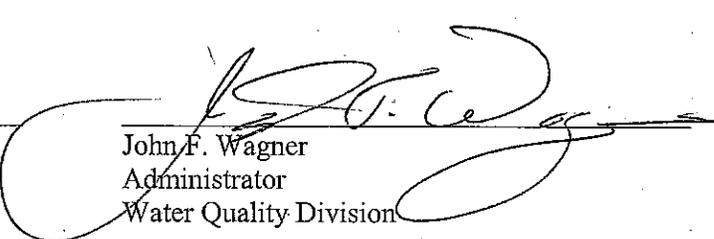
1. **Petro-Canada Resources (USA) Inc** (Petro-Canada) operates several coal bed methane gas production facilities in Wyoming. Petro-Canada holds several Wyoming Pollution Discharge Elimination System (WYPDES) permits in Wyoming. The WYPDES permits were issued by the Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD).
2. Petro-Canada has had numerous instances of recurring WYPDES permit violations since January 1, 2006. Violations were identified through exceedance notifications, Discharge Monitoring Reports (DMRs), and inspections. The DEQ has also sent 3 Letters of Violation (LOV's) and 4 Notice of Violations to Petro-Canada since January 1, 2006.
3. Petro-Canada has had 83 permit limit exceedances, 52 missed samples, and numerous "invalid/incomplete DMRs submitted. This data was compiled from submitted DMRs for January 2006 through December 2007.
4. Petro-Canada has 1 "consolidated" WYPDES permit (WY0051985) that has four or more recurring violations.
5. 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 on the person alleged to be responsible;
6. 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 DEQ from negotiating stipulated settlements involving the payment of a penalty, implementation of compliance schedules, or other settlement conditions.

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 2nd day of April, 2008.



John V. Corra
Director
Department of Environmental Quality



John F. Wagner
Administrator
Water Quality Division

PLEASE DIRECT ALL INQUIRIES TO: Kevin M. 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/KDC/bb/8-0248

cc: Lee Hanley, 8ENF-W-NP, EPA Region 8 (PDF)
Jim Eisenhauer, Sheridan DEQ Office (PDF)
Bill J. DiRienzo ► Brian K. Lovett ► Leah J. Krafft (PDF)
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DEQ Director