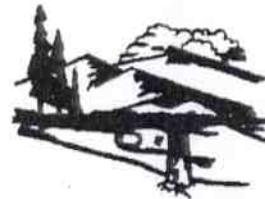




Department of Environmental Quality



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

May 21, 2010

Mr. John Sharp
Sharp Drilling
601 8th Avenue SE
Sidney, MT 89270

RE: Notice of Violation, Docket Number 4685-10

Dear Mr. Sharp:

Enclosed is a copy of Notice of Violation, Docket Number **4685-10**, for the unpermitted discharge of drilling mud and fluid into waters of the state by Sharp Drilling (Sharp) in Wyoming. The unpermitted discharge was observed and documented by a Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD) employee on May 3, 2010. This is a violation 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 constitutes an order, it is the recommendation of this office that you take action to eliminate the alleged violations as follows:

1. Sharp should inform the Water Quality Division (WQD) in writing of the corrective action taken to clean up the impacted area from the unpermitted discharge. This information should be received within 14 days of completion of the cleanup efforts.
2. Sharp should inform WQD in writing of the steps taken to eliminate unpermitted discharges. This information should be received within 21 days of receipt of this Notice of Violation.

The Department of Environmental Quality (DEQ) has the authority to resolve violations with an out-of-court settlement agreement through the payment of a penalty by Sharp. If Sharp wishes to pursue resolution of the previously noted violations through such an agreement, please contact Mr. Kevin M. Wells, WYPDES Natural Resource Program Manager at (307) 777-8669, or Mr. Brian K. Lovett, WYPDES Natural Resource Program Supervisor at (307) 777-5630, within 21 days from the date of this letter to set up a meeting to discuss this matter.

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

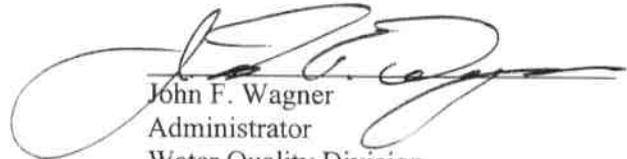
ADMIN/OUTREACH (307) 777-7937 FAX 777-3610	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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Sharp Drilling
May 21, 2010
Page 2



John V. Corra
Director
Department of Environmental Quality



John F. Wagner
Administrator
Water Quality Division

JVC/JFW/KMW/bb/rm/10-0429

Enclosure: Notice of Violation

cc: Natasha Davis, 8ENF-W-NP, EPA Region 8 (PDF)
James B. Eisenhauer, WYPDES Inspection Coordinator, Sheridan DEQ Office (PDF)
Bill J. DiRienzo ► Kevin M. Wells ► Barb Sahl (PDF)
IPS (for scanning) ► Docket **4685-10**
Keith Guille, DEQ Public Information Officer (PDF File Only)
DEQ Director

BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

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

Sharp Drilling)
601 8th Avenue SE)
Sidney Montana 89270)

DOCKET NUMBER 4685-10

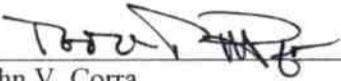
NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

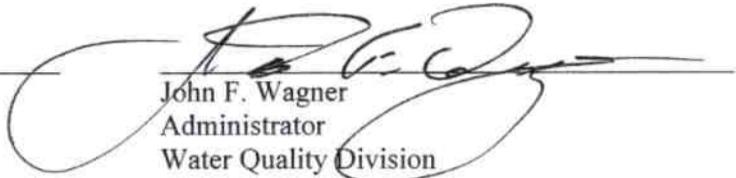
1. Sharp Drilling (Sharp) is a contracted drilling company from Sidney, Montana, currently working on the Summit Elementary School construction site in Natrona County, Casper, Wyoming. Sharp has been hired to install a geothermal heat pump at the site.
2. On May 3, 2010 a Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD) inspector visited the site in response to a complaint. While on site the inspector observed the drilling operations by Sharp and noted some concerns and violations with regards to the drilling process. There was no "mud pit" constructed at the site to contain the drilling mud that was produced from the operations. Drilling mud was observed flowing on the site and eventually entered an unnamed tributary to Elk Horn Creek (class 3B) tributary to the North Platte River (class 2AB).
3. Drilling mud is considered "pollution" as defined in §35-11-103 (c)(i);
4. The discharge referenced above entered "waters of the state" (Elkhorn Creek a) as defined under § 35-11-103 (c)(vi) and was not through a permitted discharge point;
5. The Department of Environmental Quality (DEQ) has no record of permits authorizing the discharge of pollution to waters of the state from the location referenced in the cases described above.
6. By discharging pollution into waters of the state, Sharp is in violation of §35-11-301 (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, shall cause, threaten or allow the discharge of any pollution or wastes into the waters of the state;
7. 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, as appropriate, 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 28th day of May, 2010.



John V. Corra
Director
Department of Environmental Quality



John F. Wagner
Administrator
Water Quality Division

JVC/JFW/KMW/rm/10-0429

PLEASE DIRECT ALL INQUIRIES TO: Kevin Wells, WYPDES Natural Resource Program Manager, Wyoming Department of Environmental Quality, Water Quality Division, Herschler Building, 4th Floor West, 122 West 25th Street, Cheyenne, Wyoming 82002. Telephone 307-777-8669.

cc: Natasha Davis, 8ENF-W-NP, EPA Region 8 (PDF)
James B. Eisenhauer, WYPDES Inspection Coordinator, Sheridan DEQ Office (PDF)
Bill J. DiRienzo ► Kevin M. Wells ► Barb Sahl (PDF)
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