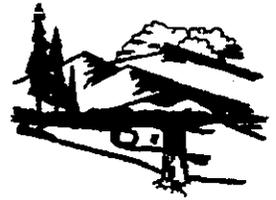




Department of Environmental Quality



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

January 5, 2010

Ms. Natalie Hamilton
CKT Energy, LLC
PO Box 1134
Gillette, WY 82717

RE: Notice of Violation and Order, Docket Number 4608-09

Dear Ms. Hamilton:

Attached is a Notice of Violation and Order, Docket Number **4608-09**, for violation of permit conditions of the Wyoming Pollution Discharge Elimination System (WYPDES) permit WY0036234 issued to CKT Energy, LLC (CKT).

ANY APPEALS TO THE ENVIRONMENTAL QUALITY COUNCIL FROM THE ATTACHED ORDER MUST BE MADE IN WRITING WITHIN THE TEN (10) DAY TIME LIMIT PRESCRIBED BY W.S. 35-11-701(c). Chapter I, Section 3 of the Department of Environmental Quality Rules of Practice and Procedure (<http://soswy.state.wy.us/RULES/5675.pdf>) sets forth the requirements for the initiation of appeal proceedings.

To appeal this Order and request a hearing, you must file two (2) copies of your written petition. The first petition shall be mailed to the Chairman of the Environmental Quality Council at Room 1714, Herschler Building, 1st Floor West, 122 West 25th Street, Cheyenne, Wyoming 82002. The second petition should be sent to John V. Corra, Director, Wyoming Department of Environmental Quality, Herschler Building, 4th West, 122 West 25th Street, Cheyenne, Wyoming 82002. Both petitions must be sent by certified mail, return receipt requested.

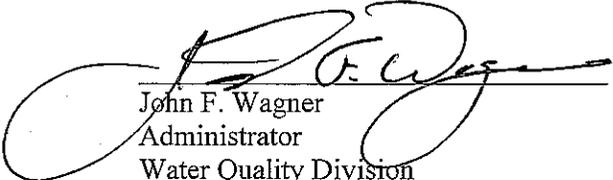


CKT Energy, LLC
January 5, 2010
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PLEASE DIRECT ALL INQUIRIES TO: Kevin M. Wells, WYPDES Compliance & Enforcement Program Coordinator at the Wyoming Department of Environmental Quality, Water Quality Division, Herschler Building, 4th Floor West, 122 West 25th Street, Cheyenne, Wyoming 82002. Telephone 307-777-8669.



John V. Corra
Director
Department of Environmental Quality



John F. Wagner
Administrator
Water Quality Division

JVC/JFW/KW/bb/rm/10-0008

Enclosure: Notice of Violation and Order

cc: Lee Hanley, 8ENF-W-NP, EPA Region 8 (PDF)
Bill DiRienzo ► Kevin M. Wells (PDF)
NOV Docket 4608-09
Environmental Quality Council
Keith Guille, DEQ Public Information Officer (PDF)

BEFORE THE
ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING

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

CKT Energy, LLC)
PO Box 1134)
Gillette, WY 82717)

DOCKET NUMBER 4608-09

NOTICE OF VIOLATION AND ORDER

NOTICE IS HEREBY GIVEN THAT:

1. CKT Energy, LLC (CKT) operates the Big Ute Oil Production Facility in Campbell County, Wyoming which is permitted to discharge through the Wyoming Pollution Discharge Elimination System (WYPDES), permit number WY0036234. The wastewater from this facility is discharged in Sawmill Draw via an unnamed ephemeral tributary (class 3B), Little Powder River basin.
2. On October 29, 2009 the Wyoming Department of Environmental Quality/Water Quality Division (DEQ) conducted a records inspection for the above referenced permit. During the inspection the following violations were noted: Numerous samples were missed for Specific Conductance, Chlorides, and Oil and Grease, reporting incorrect analytical values for samples collected and reporting in the wrong part on the Discharge Monitoring Reports (DMRs), collecting the oil and grease sample in the wrong place (**permit indicates the sample must be collected prior to dilution**), and submitting incomplete DMRs.
3. 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 (DEQ) shall cause a written notice to be issued and served upon the person alleged to be responsible;

ORDER

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL – STATE OF WYOMING

WHEREFORE IT IS HEREBY ORDERED THAT:

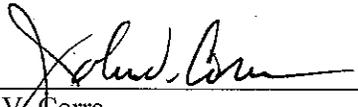
1. **Within 30 days from the receipt of this Notice of Violation CKT will submit a comprehensive plan of action to correct the deficiencies of the permit requirements for DEQ review and approval.**
2. **If the information is available CKT will correct or complete the DMRs that are in violation and submit this information to the DEQ. The specific monitoring periods that are in violation are noted in the Inspection report previously submitted to CKT by DEQ.**

This ORDER is final unless, no later than ten (10) days after the date this notice is received; it is appealed by filing a written request for a hearing before the Environmental Quality Council. If a hearing is requested, the hearing petition shall be mailed to the Chairman, Wyoming Environmental Quality

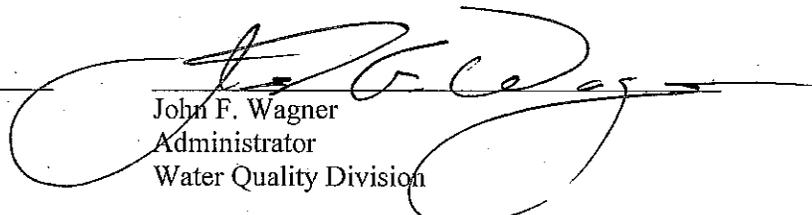
Council, Room 1714 Herschler Building, 1st Floor West, 122 West 25th St., Cheyenne, Wyoming 82002. The second petition shall be mailed to the Director, Wyoming Department of the Environmental Quality, Herschler Building, 4th Floor West, 122 West 25th St., Cheyenne, Wyoming 82002. Both petitions must be sent by certified mail, return receipt requested.

NOTHING IN THIS NOTICE OF VIOLATION (NOV) AND ORDER shall be interpreted to in any way limit or contravene any other remedy available under the Environmental Quality Act, nor shall this NOV AND ORDER be interpreted as being a condition precedent to any other enforcement action.

Ordered this 6 day of JAN, 2010.



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 Program 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/bb/rm/10-0008

cc: Lee Hanley, 8ENF-W-NP, EPA Region 8 (PDF)
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