

DEPARTMENT OF ENVIRONMENTAL QUALITY  
STATE OF WYOMING

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

Williams Production RMT Company ) DOCKET NO. 4624-10  
300 North Works Avenue )  
Gillette, Wyoming 82716 )

**SETTLEMENT AGREEMENT**

The Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD), and Williams Production RMT Company (Williams) a company authorized to do business in Wyoming, enter into this Settlement Agreement to fully and finally resolve without litigation the violation alleged in **Notice of Violation (NOV) Docket Number 4624-10 dated February 5, 2010. These violations occurred in Campbell County, Wyoming.**

W.S. §35-11-901(a)(ii) authorizes the DEQ to negotiate a stipulated settlement, including payment of a penalty and corrective actions, in lieu of litigation. To that end, Williams and the DEQ hereby stipulate and agree as follows:

1. The DEQ, pursuant to W.S. §35-11-104, is a department in the executive branch of the state government of Wyoming and is principally situated in Cheyenne, Wyoming. DEQ is the agency with the responsibility for administering the Wyoming Environmental Quality Act (Act) including all provisions of the Wyoming Water Quality Rules and Regulations (WWQRR).

2. The DEQ and Williams will simultaneously enter and file with the Environmental Quality Council (EQC) an Administrative Order on Consent (AOC) in the form attached to this Settlement Agreement specifying the stipulated corrective action requirements and schedules.

3. Subsequent to Williams receiving the NOV, the DEQ received spill reports documenting four (4) additional spills associated with the same landowner and watershed. Williams has agreed to include resolution of these spills within this settlement agreement in lieu of DEQ issuing another NOV. Williams has also provided the DEQ with documentation demonstrating the steps taken to address the alleged violations covered by this NOV, including the ongoing operational programs designed to prevent violations in the future.

4. Williams agrees to pay a total of eighteen thousand dollars and no cents (\$18,000.00) as a stipulated penalty. Payment to the DEQ is due within thirty (30) days of the full execution of this Settlement Agreement and shall be by check made payable to the Wyoming Department of Environmental Quality, Water Quality Division. Payment should be sent to Mr. Kevin M. Wells, Compliance & Enforcement Coordinator, 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. **The check should reference NOV Docket Number 4624-10.**

5. Williams' full compliance with the terms of this signed settlement agreement shall constitute full satisfaction for and resolution of all claims by the DEQ against Williams based upon the specific allegations in NOV docket number 4624-10 and the four additional spills indicated in item (3.) above. Contingent upon Williams' compliance with the terms of this Settlement Agreement, the DEQ will refrain from taking further enforcement action against Williams for these particular violations.

6. Williams waives any statute of limitations which may apply to an enforcement action by the DEQ involving the specific matters described in NOV Docket Number 4624-10 in the event that Williams fails to fulfill its obligations under this Settlement Agreement.

7. Nothing in this agreement precludes DEQ from taking additional enforcement action; including the issuance of a NOV, Order, and/or pursuing additional penalties, should Williams violate the Act, applicable rules and regulations, or WYPDES permit requirements in the future.

8. This settlement agreement represents a good faith settlement and resolution of the NOV in lieu of litigation and shall not constitute or be construed as an admission by Williams or a retraction by DEQ of the specific allegations in NOV docket number 4624-10.

9. This Settlement Agreement shall be admissible by either party without objection by the other party in any subsequent action between these parties to enforce its terms.

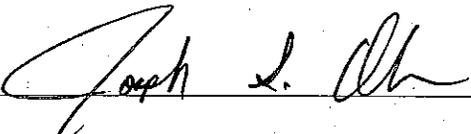
10. Notwithstanding any other language in this Settlement Agreement, the State of Wyoming and DEQ do not waive sovereign immunity by entering into this Settlement Agreement with Williams and specifically retain all immunity and all defenses available as sovereigns under state and federal law.

11. Each party shall bear its own attorney fees and costs, if any, incurred through the date this Settlement Agreement is signed by both parties.

12. Williams and the DEQ agree to comply with and be bound by the terms of this agreement and further agree they will not contest the basis or validity of this Settlement Agreement in any action taken by DEQ to enforce the terms of this Settlement Agreement. Therefore this Settlement Agreement is binding upon Williams, its successors and assigns, and upon the DEQ.

13. The persons signing this Settlement Agreement certify that they are duly authorized to bind their respective parties to this Settlement Agreement. Full execution of this Settlement Agreement shall be determined by the latest date of all parties signing.

**FOR: WILLIAMS PRODUCTION RMT COMPANY.**

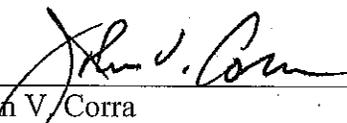
Signed: 

Typed: Joseph S. Olson

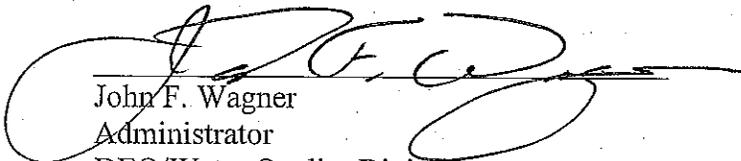
Title: Development Manager

Date: 5/26/10

**FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:**

  
John V. Corra  
Director  
Department of Environmental Quality

Date: 5/10/10

  
John F. Wagner  
Administrator  
DEQ/Water Quality Division

Date: 5/10/10

JVC/JFW/KMW/bb/10-0381

Attachment: Administrative Order on Consent

cc: Natasha Davis, 8ENF-W-NP, EPA Region 8 (PDF)  
Bill J. DiRienzo (PDF)  
IPS (for scanning) ► Docket 4624-10  
Keith Guille, DEQ Public Information Officer (PDF File of signed copy by all parties)  
DEQ Director