

DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

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

Mr. Bob Dundas P.G.)
Environmental Coordinator)
Belle Fourche Pipeline Company)
P.O. Drawer 2360)
Casper, Wyoming 82601)

Docket Number 4976-12

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD), and Belle Fourche Pipeline Company (BFPL) 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 4976-12 dated May 7, 2010. The violation occurred in Campbell County, Wyoming.**

W.S. §35-11-901(a)(ii) authorizes the DEQ to negotiate a stipulated settlement, including payment of a settlement amount and corrective actions, in lieu of litigation. To that end, BFPL 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. BFPL has agreed to provide 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. Following implementation of the corrective actions, BFPL shall provide to the WQD an updated of the completed corrective actions including photos of the impacted site. The corrective actions will proceed as weather and ground thawing occurs to allow for minimal impact to the surface. It should also be noted that the release only impacted one stock reservoir and not two as indicated in the NOV.

3. BFPL agrees to pay a settlement amount of two thousand four hundred dollars and no cents (\$2,400.00) to resolve the above referenced NOV. **BFPL has agreed to participate in the Supplemental Environmental Projects (SEP) program where BFPL will contribute the total amount of \$2,400.00 to the Wyoming Department of Environmental Quality Non-Point Source program to be used in ongoing environmental projects in Wyoming as deemed necessary.** Any funds remaining following completion of the project shall be retained by DEQ to be used for future, unspecified SEPs. 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, Natural Resource Program Manager, Department of Environmental Quality, Water Quality Division, Herschler Building 4th Floor-West, 122 West 25th Street, Cheyenne, Wyoming 82002. The check should should reference NOV Docket Number 4976-12.

4. BFPL's full compliance with the terms of this signed settlement agreement shall constitute full satisfaction for and resolution of all claims by the DEQ against BFPL based upon the specific allegations in NOV docket number 4976-12. Contingent upon Unit Drilling' compliance with the terms of this Settlement Agreement, the DEQ will refrain from taking further enforcement action against BFPL for these particular violations.

5. BFPL waives any statute of limitations which may apply to an enforcement action by the DEQ involving the specific matters described in NOV Docket Number 4976-12 in the event that BFPL fails to fulfill its obligations under this Settlement Agreement.

SETTLEMENT AGREEMENT BETWEEN DEQ/WQD AND BELLE FOURCHE PIPELINE COMPANY.

cc: David Gwisdalla, 8ENF-W-NP, EPA Region 8 (PDF)
Bill J. DiRienzo ► Kevin M. Wells (PDF)
IPS (for scanning) ► Docket 4976-12
Keith Guille, DEQ Public Information Officer (PDF File of signed copy by all parties)
DEQ Director