



# Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.



Matthew H. Mead, Governor

John Corra, Director

**CERTIFIED MAIL**

May 22, 2012

Mr. Bob Neufeld  
Vice President  
Environmental/Government Relations  
Wyoming Refining Company  
1600 Broadway, Suite 2300  
Denver, Colorado 80202

*RE: Notice of Violation, Docket Number 4992-12*

Dear Mr. Neufeld:

Enclosed is a Notice of Violation, Docket Number 4992-12, for numerous effluent exceedances of ammonia and other parameters under WYPDES permit WY0001163 by Wyoming Refining Company (WRC) in Weston County, Wyoming. The Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD) has documented ammonia greater than effluent permitted limits on 28 occasions between March 1, 2009 and March 31, 2012. These exceedances are violations of the Environmental Quality Act (Act) and the Wyoming Water Quality Rules and Regulations (WWQRR).

The NOV also contains information related to two unauthorized releases associated with WRC that occurred in 2011. Based on the analytical results of samples collected from the releases and documentation that the released material entered surface waters of the state these unauthorized discharges are included in this Notice.

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. Wyoming Refining should inform the WQD in writing of the steps taken to eliminate future effluent exceedances and adhere to all permit requirements with their WYPDES permit. This information should be received within 30 days of receipt of this notice.
2. Corrective actions were provided to the DEQ for the unauthorized releases. WRC shall continue to monitor the conditions of the facility's infrastructure to minimize the potential for unauthorized releases in the future.

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

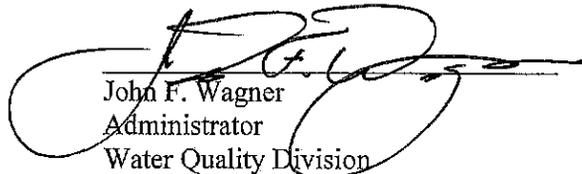
ADMIN/OUTREACH (307) 777-7758 FAX 777-7682	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-6937	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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*Wyoming Refining Company*  
*Mr. Bob Neufeld*  
*May 22, 2012*  
*Page 2*

The WQD has the authority to resolve violations with an out-of-court settlement agreement through the payment of a penalty by Wyoming Refining. If Wyoming Refining 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 of receipt of this Notice.

  
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John V. Corra  
Director  
Department of Environmental Quality

  
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John F. Wagner  
Administrator  
Water Quality Division

JVC/JFW/KMW/bb/12-0448

Enclosure: Notice of Violation

cc: David Gwisdalla, 8ENF-W-NP, EPA Region 8 (PDF)  
Lily Barkau, Environmental Senior Analyst, Solid & Hazardous Waste Division (PDF)  
Bill J. DiRienzo ► Kevin M. Wells (PDF)  
IPS (for scanning) ► Docket 4992-12  
Keith Guille, DEQ Public Information Officer (PDF File Only)  
DEQ Director

Mr. Michael Warren  
Environmental Site Manager  
Wyoming Refining Company  
P.O. Box 820  
Newcastle, Wyoming 82701

**BEFORE THE**  
**DEPARTMENT OF ENVIRONMENTAL QUALITY**  
**STATE OF WYOMING**

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

Wyoming Refining Company )  
1600 Broadway, Suite 2300 )  
Denver, Colorado 80202 )

DOCKET NUMBER 4992-12

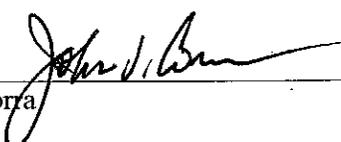
**NOTICE OF VIOLATION**

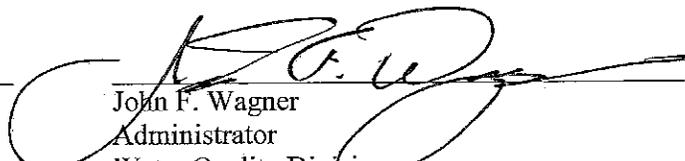
**NOTICE IS HEREBY GIVEN THAT:**

1. Wyoming Refining Company (WRC) is the owner of the Newcastle Refinery located in a portion of Township 45 North, Range 61 West (T41N, R61W), Weston County, Wyoming. WYPDES renewal permit WY0001163 was issued to Wyoming Refining on September 2, 2009 and expires on July 31, 2013. The refinery is permitted to discharge treated wastewater from a holding pond (Frog Pond) which discharges into Windmill Draw, a class 3B water of the state, via Outfall 001.
2. Since March 1, 2009 there have been numerous ammonia exceedances of the permitted effluent limit for WYPDES Permit WY0001163 outfall 001. Ammonia effluent limits have been higher than the permitted limits 28 times between March 1, 2009 and March 31, 2012. These effluent exceedances are violations of WYPDES permit conditions.
3. WRC has acknowledged the violations and has committed to several actions to eliminate the exceedances in various letters dating from July 2009 to present. These corrective actions have not been successful in bringing the effluent discharge into compliance.
4. WRC experienced an unauthorized release of material containing hydrocarbons on April 25, 2011. The released material did reach the "Frog Pond" and impacted downstream landowners via Windmill Draw, which is a water of the state. Analytical results indicated very high values of TPH in samples that had been collected from sediment along the banks of the Frog Pond. Corrective actions were implemented to reduce the likelihood of a reoccurrence of this event.
5. WRC experienced an unauthorized release of processed waste water and storm water on December 5, 2011. The released material did reach Little Oil Creek, a water of the state. Analytical results from samples collected on December, 6, 2011 indicated values greater than the permitted limits defined in WY0001163 for Selenium and TOC. Corrective actions were implemented to reduce the likelihood of a reoccurrence of this event.
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 department from negotiating stipulated settlements involving the payment of a penalty, implementation of compliance schedules or other settlement conditions 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 23rd day of May, 2012

  
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John V. Corra  
Director  
Department of Environmental Quality

  
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John F. Wagner  
Administrator  
Water Quality Division

**PLEASE DIRECT ALL INQUIRIES TO:** Kevin M. Wells WYPDES Natural Resource Program Manager at the Wyoming 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. Telephone 307-777-8669.

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cc: David Gwisdalla, 8ENF-W-NP, EPA Region 8 (PDF)  
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