



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

June 21, 2012

Mr. Clark Huffman
Double Eagle Petroleum Company
1675 Broadway, Ste. 2200
Denver, CO 80202

RE: Notice of Violation, Docket Number 5009-12

Dear Mr. Huffman:

Attached is a Notice of Violation, Docket Number 5009-12, issued to Double Eagle Petroleum Company (Double Eagle), for violations noted by the Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD) during a compliance inspection of construction sites covered by WYPDES authorization WYR103487. Violations at the construction sites include the failure to comply with the Large Construction General Storm Water permit (LCGP) requirements, failure to maintain proper best management practices (BMPs) to control storm water runoff and erosion, and failure to meet the requirements specified in the previous Letter of Violation issued to Double Eagle on December 3, 2007 for the same violations. While neither the attached Notice of Violation nor this letter constitutes an order, this office strongly urges you to take action to immediately eliminate the alleged violations as follows:

1. Double Eagle should comply with the requirements as written under the LCGP authorizations for WYR103487.
2. Double Eagle should maintain storm water "Best Management Practices" (BMP) throughout the life of the projects to ensure no sedimentation enters a water of the state. ***"BMPs mean schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to prevent or reduce the pollution of waters of the state. BMPs also include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw material storage."***

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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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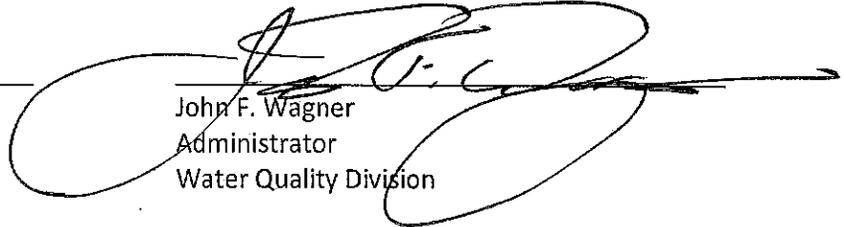


3. Double Eagle should update the SWPPP as required under the permit regulations to ensure the SWPPP is current and identifies areas with BMPs, closed areas, etc.

The WQD has the authority to resolve violations with an out-of-court settlement agreement through the payment of a penalty by Double Eagle. If Double Eagle wishes to pursue resolution of the previously noted violations through such an agreement, please contact Kevin M. Wells, WYPDES Natural Resource Program Manager, at (307) 777-8669 within 21 days of the date of this notice to set up a meeting to discuss this matter.



John V. Corra
Director
Department of Environmental Quality



John F. Wagner
Administrator
Water Quality Division

JVC/JFW/KMW/bb/12-0555

Enclosure: Notice of Violation

cc: David Gwisdalla, 8ENF-W-NP, EPA Region 8 (PDF)
Bill J. DiRienzo ► Kevin M. Wells (PDF)
IPS (for scanning) ► Docket 5009-12
Keith Guille, DEQ Public Information Officer (PDF)
DEQ Director

functioning properly or if they are in need of repair or maintenance. If the report describes deficiencies in pollution control structures or procedures, such deficiencies shall be corrected immediately.

Part 10.1 Duty to Comply. *"The permittee must comply with all conditions of this permit, and is responsible for ensuring any subcontractors, employees or other persons associated with the construction activity comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the Chapter 2 of the Wyoming Water Quality Rules and Regulations, The Wyoming Environmental Quality Act, and the Clean Water Act and may be grounds for enforcement action, permit termination, revocations, or modification, or for denial of a permit renewal application."*

These are all violations of the Large Construction General Storm Water Permit and failure to comply is a violation of the Large Construction General Storm Water Permit conditions.

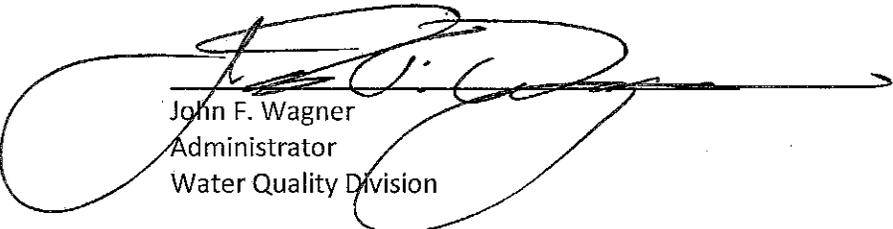
5. On May 30, 2012 the Wyoming Department of Environmental Quality (DEQ), Water Quality Division (WQD) conducted an inspection at the Catalina Unit Pod A and B Field. During the inspection numerous releases of produced water were noted from each well site visited. According to the Double Eagle employee who assisted on the site visits the produced water was released via a pipe from a holding tank inside the small buildings found at each well. The produced water was allowed to discharge from the structure causing excessive erosion that actually resulted in uncovering electrical infrastructure associated with some of the well sites and entered ephemeral drainages surrounding the well pads. Flow paths of the releases were documented and photographed. The unauthorized discharge or release of this material is a violation of WYPDES permit conditions.
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 DEQ from negotiating stipulated settlements involving the payment of a penalty, implementation of compliance schedules or other settlement conditions.

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 25th day of June, 2012.



John V. Corra
Director
Department of Environmental Quality



John F. Wagner
Administrator
Water Quality Division

PLEASE DIRECT ALL INQUIRIES TO: Kevin M. 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.

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