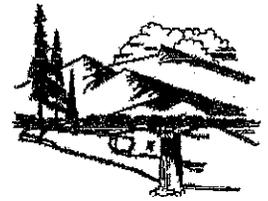




Department of Environmental Quality

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



Matthew H. Mead, Governor

Todd Parfitt, Director

CERTIFIED MAIL

January 25, 2013

**Ms. Julia Robertson
Jim's Water Service, Inc.
PO Box 2290
Gillette, WY 82717**

RE: Notice of Violation, Docket Number 5116-13

Dear Ms. Robertson:

Enclosed is a Notice of Violation, Docket Number 5116-13 issued to Jim's Water Service, Inc. (JWS), for an unauthorized discharge from the East Kingsbury CBM facility permitted to discharge under WYPDES permit WY0049166. The produced water from outfalls 004, 006, and 007 discharge to 3 (three) on-channel reservoirs (class 3B) located on unnamed ephemeral drainages (class 3B) tributary to Wild Horse Creek (class 3B) which is tributary to the Powder River (class 2ABWW), which are all waters of the state. The unauthorized discharge was observed and sampled by the Department of Environmental Quality/Water Quality Division (WDEQ/WQD) on November 29, 2012. The unauthorized discharge is a violation of the Wyoming Environmental Quality Act (Act) and the Wyoming Water Quality Rules and Regulations (WWQRR).

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. JWS should cease all discharge from this unauthorized outfall until a modified authorization has been issued.
2. JWS should inform the Water Quality Division (WQD) in writing of the steps taken to eliminate future unauthorized releases from their facilities. This information should be received by the WQD within 30 days from the date of this letter.

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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 777-5973	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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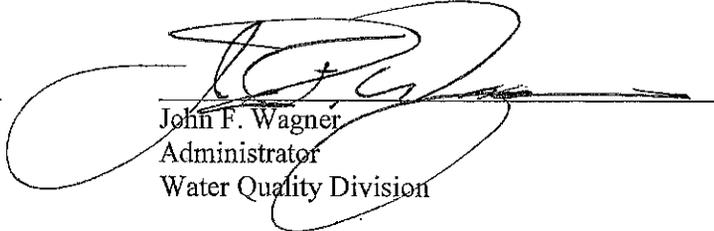


Jim's Water Service, Inc.
January 25, 2013
Page 2

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



Todd Parfitt
Director
Department of Environmental Quality



John F. Wagner
Administrator
Water Quality Division

TP/JFW/KMW/bb/13-0066

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 5116-13
Keith Guille, DEQ Public Information Officer (PDF File Only)

BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

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

**Ms. Julia Robertson
Jim's Water Service, Inc.
PO Box 2290
Gillette, WY 82717**

DOCKET NUMBER 5116-13

NOTICE OF VIOLATION

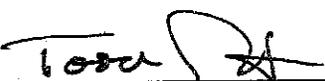
NOTICE IS HEREBY GIVEN THAT:

1. Jim's Water Service, Inc. (JWS) operates the "East Kingsbury" coal bed methane production facility under WYPDES permit number WY0049166. This authorization was renewed on January 26, 2012 and expires on October 31, 2016.
2. On November 29, 2012 the Department of Environmental Quality (DEQ), Water Quality Division (WQD) conducted a field inspection of the East Kingsbury facility, located in the SWNE quarter, Section 21, the SWSE, SENE of Section 17 in Township 50 North, Range 74 West, all in Campbell County Wyoming. At the time of the inspection, JWS had authorization to discharge from outfalls 004, 006, and 007. During the inspection a fourth outfall constructed of black poly pipe was observed discharging but not authorized or identified under the WYPDES permit. The discharge was located in the NESE quarter, Section 17, Township 50 North, Range 74 West. Water quality samples were collected during the inspection from the unauthorized discharge and analyzed for various water quality constituents.
3. The produced water from outfalls 004, 006, and 007 discharge to 3 (three) on-channel reservoirs (class 3B) located on unnamed ephemeral drainages (class 3B) tributary to Wild Horse Creek (class 3B) which is tributary to the Powder River (class 2ABWW), which are all waters of the state.
4. The violations noted during this inspection include: (1) discharging from an unauthorized location and (2) violation of permit requirements to include; proper identification of the facility at each outfall showing ownership, a legal description of the location where the outfall is located, a contact phone number, and free fall of at least 12 inches for sample collection. Failure to meet any of these requirements is considered a violation of WYPDES permit requirements.
5. Coal bed methane produced water contains "pollution" as defined in W.S. 35-11-103 (c)(i);
6. The discharges referenced above entered or threaten to enter "waters of the state" as defined under W.S. 35-11-103 (c)(vi).
7. The Department of Environmental Quality has no record of authorization allowing discharge from the unidentified outfall at the time of the inspection.
8. By discharging pollution into waters of the state, JWS is in violation of W.S. 35-11-301 (a)(i) and Chapter 2 of the Wyoming Water Quality Rules and Regulations which state that no person, except when authorized by a permit issued by the Department of Environmental Quality, shall cause, threaten or allow the discharge of any pollution or wastes into the waters of the state.

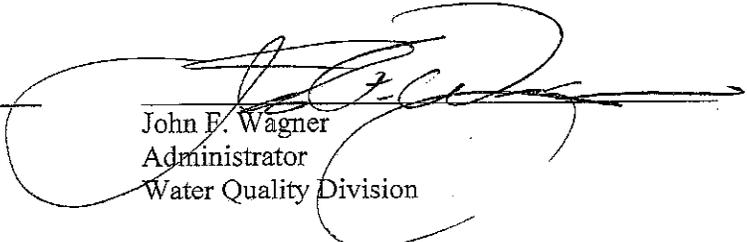
9. Pursuant to Wyoming Statute 35-11-901(a), any person who violates, or any director, officer or agent of a corporate permittee who willingly and knowingly authorizes, orders or carries out the violation of any provision of the Environmental Quality Act (Act), or any rule, regulation, standard or permit 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 25th day of January, 2013.



Todd Parfitt
Director
Department of Environmental Quality



John F. Wagner
Administrator
Water Quality Division

PLEASE DIRECT ALL INQUIRIES TO: Kevin M. Wells, WYPDES Natural Resource Program Supervisor 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.

TP/JFW/KMW/bb/13-0066

cc: David Gwisdalla, 8ENF-W-NP, EPA Region 8 (PDF)
Bill J. DiRienzo ► Kevin M. Wells (PDF)
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