



# 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 22, 2014

Mr. Jake Harouny  
Medallion Exploration  
6965 South Union Park Center, Suite 400  
Midvale, UT 84047

**RE: Notice of Violation, Docket Number 5225-14**

Dear Mr. Harouny:

Enclosed is a Notice of Violation, Docket Number 5225-14 issued to Medallion Exploration (Medallion), for failing to submit Discharge Monitoring Reports, as required by WYPDES Permit WY0094919. Review of DEQ data base records indicates no Discharge Monitoring Reports (DMRs) have been received for this facility since July 2012. Failure to submit the required DMRs 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. Submit all the required DMRs for 2<sup>nd</sup> semester and Annual 2012 and all the required 2013 DMRs within 30 days of the date of this Notice.
2. Inform the Water Quality Division (WQD) in writing of the steps taken to eliminate future violations of DMR non-submittal. This information should be received by the WQD within 30 days from the date of this letter.

The WQD has the authority to resolve violations with an out-of-court settlement agreement through the payment of a penalty by Medallion. If Medallion 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

Kevin Frederick  
Administrator  
Water Quality Division

TP/KDF/KMW/bb/14-0056

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 5225-14  
Keith Guille, DEQ Public Information Officer (PDF File Only)

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

ADMIN/OUTREACH (307) 777-7158 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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**BEFORE THE**  
**DEPARTMENT OF ENVIRONMENTAL QUALITY**  
**STATE OF WYOMING**

**IN THE MATTER OF THE NOTICE OF VIOLATION ISSUED TO:** )  
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**Mr. Jake Harouny** )  
**Medallion Exploration** )  
**6965 South Union Park Center, Suite 400** )  
**Midvale, UT 84047** )  
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**DOCKET NUMBER 5225-14**

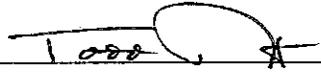
**NOTICE OF VIOLATION**

**NOTICE IS HEREBY GIVEN THAT:**

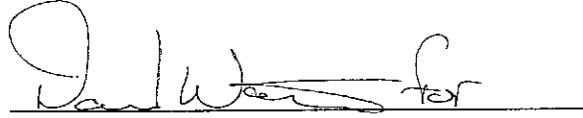
1. Medallion Exploration Company (Medallion) is the owner/operator of the Coal Bed Methane (CBM) Lazy B CBM production facility with authorization to discharge under WYPDES permit WY0094919. This facility was originally permitted under WYPDES permit number WY0055557 which has expired.
2. Part I of the above referenced permit requires that effluent monitoring results obtained during the previous month(s) shall be summarized and reported on a Discharge Monitoring Report (DMR). The DMRs are to be submitted to the Department of Environmental Quality (DEQ) and postmarked no later than the 15<sup>th</sup> day of the second month following the completed reporting period. To date the DEQ/Water Quality Division (WQD) has not received any DMRs since the 1<sup>st</sup> semester submittal in July 2012.
3. DEQ has issued two previous Letters of Violation (LOV) to Medallion for failure to submit DMR's dated May 14, 2013 and October 7, 2013. This continued non-submittal of DMR's to the DEQ and failure to respond to the letters are violations of permit requirements.
4. This Notice is being sent to you pursuant to W.S. 35-11-701(c)(i), which requires that in any case of the failure to correct or remedy an alleged violation, the director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.
5. 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 January, 2014.



Todd Parfitt  
Director  
Department of Environmental Quality



Kevin Frederick  
Administrator  
Water Quality Division

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

TP/KDF/KMW/bb/14-0056

cc: David Gwisdalla, 8ENF-W-NP, EPA Region 8 (PDF)  
Bill DiRienzo ► Kevin M. Wells (PDF)  
NOV Docket 5225-14  
Director, DEQ  
Keith Guille, DEQ Public Information Office (PDF)