



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

August 15, 2014

**Ms. Sonia Braddock
Kodiak Oilfield Services, LLC
P.O. Box 5094
Carlsbad, NM 88221**

RE: Notice of Violation, Docket Number 5425-14

Dear Ms. Braddock:

Attached is a copy of a Notice of Violation, Docket Number **5425-14**, issued to Kodiak Oilfield Services, LLC (Kodiak) located at the Kodiak owned property immediately west of 131 Hwy. 59 in Converse County, Wyoming near Douglas, for violating Wyoming Statute 35-11-301, which states that no person, except when authorized by permit, shall cause, threaten or allow the discharge of any pollution or wastes into waters of the state or alter the physical, chemical, radiological, biological or bacteriological properties of any waters of the state, and Wyoming Water Quality Rules and Regulations (WQR&R) Chapter 3, Section 5(d) requires that surface disposal shall be allowed only in accordance with the terms and conditions of a permit, which Kodiak did not have. Notice of Violation Docket Number **5425-14** accompanies this letter.

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:

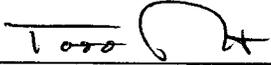
1. Kodiak should immediately cease dumping produced water at the property and dispose of all produced water at a permitted water disposal facility.
2. Remove contaminated soils and dispose of those soils in accordance with Wyoming Department of Environmental Quality standards.
3. Kodiak should provide WQD with a written report indicating the steps taken to prevent these violations from occurring again in the future. The report should be received by the WQD within 30 days of 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 Kodiak. If Kodiak wishes to pursue resolution of the previously noted violations through such an agreement, please contact Mr. Joe Hunter, Emergency Response Coordinator, at (307) 777-5885 within 21 days of the date of this letter to set up a meeting to discuss this matter.

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Kodiak Oilfield Services, LLC
August 15, 2014
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Todd Parfitt
Director
Department of Environmental Quality



Kevin Frederick
Administrator
Water Quality Division

Enclosure: Notice of Violation

KMW/rm/14-0666

cc: James Uzzell ► Joe Hunter (PDF)
NOV Docket **5425-14**
Keith Guille, DEQ Public Information Officer (PDF file only)
Director, DEQ

BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF VIOLATION ISSUED TO:)
)
)
Ms. Sonia Braddock)
Kodiak Oilfield Services, LLC)
P.O. Box 5094)
Carlsbad, NM 88221)
)
)
)
)

DOCKET NUMBER 5425-14

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. Kodiak Oilfield Services, LLC (Kodiak) provides roustabout services, dump truck and backhoe services and vacuum and transport truck services in Converse and surrounding counties, Wyoming.
2. On March 26, 2014 the Converse County Sheriff's Office received a call from Benjamin Britton regarding possible dumping of toxic materials at 131 Highway 59, which is located on property owned by Kodiak and immediately west Mr. Britton's property. A deputy arrived at the location at 6:52 P.M. to begin his investigation and speak with Mr. Britton. Also present at this initial meeting was Mr. Terry Demasters who was the Kodiak driver accused of dumping the material. During the discussion, Mr. Demasters was asked what he had been dumping. He responded that it was fresh water from a pond located near the airport and that the water did not contain any hydrocarbons from the oil and gas production in the area. Mr. Britton told the deputy that this was not the first time that liquids had been dumped on the property and showed the deputy where he had witnessed previous dumping. Mr. Britton provided pictures showing the dumping. Upon investigating the site, the deputy noticed the smell of petroleum products and could visually see signs of contamination on the surface of the ground. At this time, the deputy attempted to contact the Wyoming Department of Environmental Quality (WDEQ) but could not get an answer.
3. On March 27, 2014 the Converse County Sheriff's office contacted the WDEQ to report the incident. Mr. Dennis Lamb and Ms. Jessica McConnell with WDEQ Water Quality Division mobilized to the site to perform an inspection and collect samples. Upon arriving at the location, Mr. Lamb observed staining on the surface of the ground and could visually see what appeared to be crude oil in several places. Samples were taken and delivered to Energy Laboratory in Casper for analysis for Total Petroleum Hydrocarbons – Diesel Range Organics (TPH-DRO) and Total Volatile Organic Compounds (VOC's). Pictures were also taken that showed the surface staining and oil.
4. On April 7, 2014 the laboratory analytical report was made available by Energy Laboratory. The results showed that the samples were well above DEQ standards for TPH-DRO and showed the presence of several VOC compounds (see attachment A).
5. Wyoming Statute 35-11-301(a)(i) states that no person, except when authorized by permit, shall cause, threaten or allow the discharge of any pollution or wastes into waters of the state. Water Quality Rules and Regulations (WQR&R) Chapter 3, Section 5(d) requires that surface disposal shall be allowed only in accordance with the terms and conditions of a permit. Kodiak Oilfield Services, LLC did not have a permit to dispose of the water containing crude oil on their property, thus violating W.S. 35-11-301 and WQR&R Chapter 3, Section 5(d).

6. 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 (\$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 19th day of August, 2014.



Todd Parfitt
Director
Department of Environmental Quality



Kevin Frederick
Administrator
Water Quality Division

PLEASE DIRECT ALL INQUIRIES TO: Joe Hunter, Emergency Response Coordinator, Wyoming Department of Environmental Quality, Water Quality Division, Herschler Building, 4th Floor West, 122 West 25th Street, Cheyenne, Wyoming 82002. Telephone 307-777-5885.

KMW/rm/14-0666

cc: James Uzzell ► Joe Hunter (PDF)
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Keith Guille, DEQ Public Information Officer (PDF file only)
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