

STATE OF WYOMING
Department of Environmental Quality
Water Quality Division
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Cheyenne, WY 82002
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**GENERAL BONDING INSTRUCTIONS
COMMERCIAL OILFIELD WASTEWATER DISPOSAL FACILITIES**

In accordance with Chapter 14, Wyoming Water Quality Rules and Regulations, operators of Commercial Oilfield Wastewater Disposal Facilities shall provide financial assurance in one, or a combination of a self bond, a surety bond, a federally insured certificate of deposit, government-backed securities, or cash. Such financial assurance shall be in the amount calculated and previously approved by Water Quality Division, Water and Wastewater Program. **Financial assurance amounts will be recalculated on a yearly basis.**

As of September 1, 2010, all financial assurance documents MUST include the legal description of the facility. The legal description must be prepared and sealed by a registered surveyor, AND must be filed at the appropriate courthouse office. The legal description, including the county of record, book and page, must be attached to the financial assurance document as "Exhibit A". Exhibit A must reference county, book and page where it was filed, and must be signed and notarized by the principal and surety.

The following bonding methods are presently accepted by the Water Quality Division to meet bonding requirements. Please contact the Water Quality Division, Water and Wastewater Program for further information.

1. Self Bond

If a self bond is to be used, the operator must submit an ***Initial Application to Self Bond*** to the Water Quality Division with the ***Application for a Permit to Construct***. See Chapter 14 of the Wyoming Water Quality Rules and Regulations for specific information about self-bonding. Please contact the Water Quality Division for further information and the necessary forms.

2. Corporate Surety Bond

Corporate surety bonds must be executed by an insurance company licensed to do business in the State of Wyoming. Bonds and riders must be executed on forms supplied by the Water Quality Division. The form is to be submitted back-to-back (two sided) on a legal sized piece of paper.

3. Federally Insured Certificate of Deposit

Certificates of Deposit exceeding \$250,000 (or the FDIC the maximum insurable amount as determined by the FDIC or the Federal Savings and Loan Insurance Corporation) will not be accepted. If the amount of the bond required exceeds \$250,000, CD's must be purchased from separate banks with each CD being in an amount less than \$250,000.

Certificates of Deposit shall be automatically renewable, made payable solely to the Wyoming Department of Environmental Quality, Water Quality Division. No other name may appear in the payee section. A certificate made payable to the Department "and/or" the purchaser is not acceptable.

Interest is made payable to the purchaser. At the time of the CD purchase, the company or individual purchasing the CD should arrange with the bank to have the interest earned deposited in their account. Interest checks, statements, and IRS statements should be mailed to the purchaser's address.

We do not accept CD's which allow the bank to redeem the certificate after giving notice to the Department. Upon acceptance of the CD, the bank is required to copy the Wyoming Department of Environmental Quality, Water Quality Division on all correspondence relating to the CD at the address cited above.

4. Government Back Securities

U.S. Treasury Bonds, Bills, or Notes will be accepted if registered solely in the department's name.

5. Cash

Cash will be deposited with State Treasurer. No interest is paid on cash deposited with the State Treasurer to meet bonding requirements. Use of a cashier's or certified check will expedite the permitting process.

Any bond or other form of financial assurance may be canceled by the surety only after ninety (90) days written notice to the director, and upon receipt of the director's written consent, which may be granted only when the requirements of the bond have been fulfilled.