STATE OF COLORADO

John W. Hickenlooper, Governor
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Executive Director and Chief Medical Officer

Dedicated to protecting and improving the health and environment of the people of Colorado

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Colorado Department
of Public Health
and Environment

August 22, 2012

Bargath LLC
Timothy A. Penton, Vice President
One Williams Center
P.O. Box 645
Tulsa, OK 74172

RE: Compliance Order on Consent, Number: SC-120821-1

Dear Mr. Penton:

Enclosed for Bargath LLC's records you will find your copy, with original signatures, of the recently executed Compliance Order on Consent. Please remember that this agreement is subject to a thirty-day public comment period (paragraph 40). Upon initiation, if the Division receives any comments during this period we will contact your office to discuss. Also, please be advised that the first page of the Order was changed in order to place the assigned Order Number on the final document.

If you have any questions, please don't hesitate to contact Michael Harris at (303) 692-3598 or by electronic mail at michael.harris@state.co.us.

Sincerely,

Russell Zigler

Russell Zigler, Legal Assistant
Compliance Assurance Section
Enforcement Unit
WATER QUALITY CONTROL DIVISION

Enclosure(s)

cc: Enforcement File
The Corporation Company, 1675 Broadway Ste 1200, Denver, CO 80202

ec: Paul Reaser, Garfield County Public Health Service (preaser@garfield-county.com)
Natasha Davis, EPA Region VIII
Andy Poirot, Engineering Section, CDPHE

Dick Parachini, Watershed Program, CDPHE
Janet Kieler, Permits Section, CDPHE
Nathan Moore, Permits Section, CDPHE
Matt Lepore, COGCC (Matt.Lepore@state.co.us)
Michael Beck, Grants and Loans Unit, CDPHE
Michael Harris, Case Person
Tania Watson, Compliance Assurance, CDPHE
Timothy Penton, Bargath LLC (Timothy.Penton@Williams.com)

COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

DIVISION OF ADMINISTRATION

WATER QUALITY CONTROL DIVISION

COMPLIANCE ORDER ON CONSENT **NUMBER: SC-120821-1**

IN THE MATTER OF: **BARGATH LLC**
CDPS PERMIT NO. COR-030000
CERTIFICATION NO. COR-03B586
GARFIELD COUNTY, COLORADO

The Colorado Department of Public Health and Environment ("Department"), through the Water Quality Control Division ("Division"), issues this Compliance Order on Consent ("Consent Order"), pursuant to the Division's authority under §§25-8-602 and 605, C.R.S. of the Colorado Water Quality Control Act ("the Act") §§25-8-101 to 803, C.R.S., and its implementing regulations, with the express consent of Bargath LLC ("Bargath"). The Division and Bargath may be referred to collectively as "the Parties."

STATEMENT OF PURPOSE

1. The mutual objectives of the Parties in entering into this Consent Order are to resolve, without litigation, the civil penalties associated with alleged violations cited herein and in the Notice of Violation / Cease and Desist Order, Number: SO-110316-1 (the "NOV/CDO"), the Division issued to Williams Production RMT Company, LLC ("Williams") on March 16, 2011.

DIVISION'S FINDINGS OF FACT AND DETERMINATION OF VIOLATIONS

2. Based upon the Division's investigation into and review of the compliance issues identified herein, and in accordance with §§25-8-602 and 605, C.R.S., the Division has made the following determinations regarding Williams' and Bargath's compliance with the Act and a stormwater permit issued pursuant to the Act.

3. At all times relevant to the alleged violations identified herein, Williams and Bargath were Delaware limited liability companies in good standing and registered to conduct business in the State of Colorado.

4. Williams and Bargath are "persons" as defined by §25-8-103(13), C.R.S. and its implementing permit regulation, 5 CCR 1002-61, §61.2(73).

5. On June 28, 2008, Williams initiated construction activities associated with oil and gas production and/or exploration that included a planned disturbance of 116 acres of land in Garfield County, Colorado (the "Project").

6. On March 12, 2007, Williams submitted an application to the Division for Project coverage under the Colorado Discharge Permit System ("CDPS") General Permit, Number COR-030000, for Stormwater Discharges Associated with Construction Activity (the "Permit").

7. On March 20, 2007, the Division provided Williams Certification Number COR-03B586 authorizing Williams to discharge stormwater from the construction activities associated with the Project to Parachute Creek and the Colorado River under the terms and conditions of the Permit.

8. Parachute Creek and the Colorado River are "state waters" as defined by §25-8-103(19), C.R.S. and its implementing permit regulation, 5 CCR 1002-61, §61.2 (102).

9. On November 1, 2010, representatives from the Division (the "Inspectors") conducted an on-site inspection of the Project pursuant to the Division's authority under §25-8-306, C.R.S., to determine Williams' compliance with the Water Quality Control Act and the Permit. During the inspection, the Inspectors interviewed Project representatives, reviewed the Project's stormwater management system records, and performed a physical inspection of the Project.

10. On November 3, 2010, following the Division's inspection of the Project, the Division received an application from Williams requesting a transfer of ownership of Certification Number COR-03B586 to Bargath.

11. On November 4, 2010, the Division approved the transfer and provided Bargath Certification Number COR-03B586 authorizing Bargath to discharge stormwater from the construction activities associated with Project to Parachute Creek and the Colorado River under the terms and conditions of the Permit. Certification Number COR-03B586 remains in effect until June 30, 2012 or until Bargath inactivates permit coverage.

12. Pursuant to 5 CCR 1002-61, §61.8, Williams and Bargath must comply with all the terms and conditions of the Permit, and violations of such terms and conditions as specified in the Permit may be subject to civil and criminal liability pursuant to §§25-8-601 through 25-8-612, C.R.S.

<u>Deficient and/or Incomplete Stormwater Management Plan</u>

13. Pursuant to Part I. B. of the Permit, Williams was, and Bargath is, required to prepare and maintain a Stormwater Management Plan ("SWMP") in accordance with good engineering, hydrologic, and pollution control practices. The SWMP is required to identify all potential sources of pollution, which may be reasonably expected to affect the quality of stormwater discharges associated with construction activity from the Project. In addition, the plan is required to describe and ensure the implementation of Best Management Practices ("BMPs") at the Project, which will be used to reduce the pollutants in stormwater discharges associated with construction activity.

14. Pursuant to Part I. C. of the Permit, the Project's SWMP shall include, at a minimum, the following items:

a. Site Description – The SWMP shall clearly describe the construction activity, including:

i. The nature of the construction activity.
ii. The proposed sequence for major activities.
iii. Estimates of the total area of the site and the area of the site that is expected to undergo clearing, excavation or grading.
iv. A summary of any existing data used in the development of the construction plans or SWMP that describe the soil or existing potential for soil erosion.
v. A description of the existing vegetation at the site and an estimate of the percent vegetative ground cover.
vi. The location and description of all potential pollution sources, including ground surface disturbance, vehicle fueling, storage of fertilizers or chemicals, etc.
vii. The location and description of any allowable sources of non-stormwater discharge, such as springs, landscape irrigation return flow, construction dewatering, and concrete washout.
viii. The name of the receiving water(s) and the size, type, and location of any outfall or, if the discharge is to a municipal separate storm sewer, the name of that system, the location of the storm sewer discharge, and the ultimate receiving water(s).

b. Site Map – The SWMP shall include a legible site map(s), showing the entire site, identifying:

i. Construction site boundaries.
ii. All areas of ground surface disturbance.
iii. Areas of cut and fill.
iv. Areas used for storage of building materials, equipment, soil, or waste.
v. Locations of dedicated asphalt or concrete batch plants.
vi. Locations of all structural BMPs
vii. Locations of all non-structural BMPs.
viii. Locations of springs, streams, wetlands and other surface waters.

c. Stormwater Management Controls - The SWMP must include a description of all stormwater management controls that will be implemented as part of the construction activity to control pollutants in stormwater discharges, including:

i. SWMP Administrator – The SWMP shall identify a specific individual(s), position or title that is responsible for developing, implementing, maintaining, and revising the SWMP.
ii. Identification of Potential Pollutant Sources – The SWMP shall identify and describe those sources determined to have the potential to contribute pollutants to stormwater discharges.

iii. Best Management Practices (BMPs) for Stormwater Pollution Prevention – The SWMP shall identify and describe appropriate BMPs that will be implemented at the facility to reduce the potential of pollution sources to contribute pollutants to stormwater discharges. The SWMP shall clearly describe the installation and implementation specifications for each BMP identified in the SWMP.

1. Structural Practices for Erosion and Sediment Control – The SWMP shall clearly describe and locate all structural practices implemented at the site to minimize erosion and sediment transport. Practices may include, but are not limited to: straw bales, wattles/sediment control logs, silt fences, earth dikes, drainage swales, sediment traps, subsurface drains, pipe slope drains, inlet protection, outlet protection, gabions, and temporary or permanent sediment basins.
2. Non-Structural Practices for Erosion and Sediment Control – The SWMP shall clearly describe and locate all non-structural practices implemented at the site to minimize erosion and sediment transport. Description must include interim and permanent stabilization practices, and site-specific scheduling for implementation of the practices. Non-structural practices may include, but are not limited to: temporary vegetation, permanent vegetation, mulching, geotextiles, sod stabilization, slope roughening, vegetative buffer strips, protection of trees, and preservation of mature vegetation.
3. Phased BMP Implementation – The SWMP shall clearly describe the relationship between the phases of construction and the implementation and maintenance of BMPs. The SWMP must identify the stormwater management controls to be implemented during the project phases, which can include, but are not limited to, clearing and grubbing, road construction, utility and infrastructure installation, vertical construction, final grading and final stabilization.
4. Materials Handling and Spill Prevention – The SWMP shall clearly describe and locate all practices implemented at the site to minimize impacts from procedures or significant materials that could contribute pollutants to runoff.
5. Dedicated Concrete or Asphalt Batch Plants – The SWMP shall clearly describe and locate BMPs to control stormwater pollution from dedicated concrete batch plants or dedicated asphalt batch plants.
6. Vehicle Tracking Control – The SWMP shall clearly describe and locate all practices implemented at the site to control potential sediment discharges from vehicle tracking.
7. Waste Management and Disposal, Including Concrete Washout – The SWMP shall clearly describe and locate the practices implemented at the site to control stormwater pollution from all construction site wastes, including concrete washout activities.
8. Groundwater and Stormwater Dewatering – The SWMP shall clearly describe and locate the practices implemented at the site to control stormwater pollution from the dewatering of groundwater or stormwater from excavations, wells, etc.

d. Final Stabilization and Long-Term Stormwater Management – The SWMP shall clearly describe the practices used to achieve final stabilization of all disturbed areas at the site, and any planned practices to control pollutants in stormwater discharges that will occur after construction operations have been completed at the site.

e. Inspection and Maintenance – The SWMP shall clearly describe the inspection and maintenance procedures implemented at the site to maintain all erosion and sediment control practices and other protective practices in good and effective operating condition.

15. Pursuant to Part I. D. 5. of the Permit, Williams was, and Bargath is, required to update the SWMP and amend the SWMP when there is a change in design, construction, operation, or maintenance of the site; when the SWMP proves to be ineffective in controlling pollutants in stormwater discharges; or when BMPs are no longer necessary and are removed.

16. During the November 1, 2010 inspection, the Inspectors reviewed the Project's SWMP and identified the following deficiencies, as described in paragraphs 16 (a-d) below:

a. The SWMP did not include a description of the existing vegetation at the site and an estimate of the percent vegetative ground cover.

b. The site map included with the SWMP identified water bars along the initial descent of the Crawford Trail Pipeline ROW. However, the water bars were not present during the inspection and the SWMP had not been amended to reflect the change in design, construction, operation or maintenance of the site.

c. The site map included with the SWMP identified a straw wattle barrier in place at the base of the land disturbance associated with Williams' blasting of the high wall cut at the Project. The slope inclination in this area of the Project is 2:1 or greater. According to the installation and implementation specifications included with the SWMP, straw wattles are to be placed at the toe and on the face of slopes and should be placed at a maximum interval of 10 feet. However, the site map only prescribed a single row of straw wattle at the toe of the slope and did not prescribe straw wattles for the slope face. No other BMPs were identified for this area of the Project.

d. The SWMP did not include installation and implementation specifications for water bars, sediment traps, or vegetative buffers – all of which were identified as BMPs in the SWMP.

17. In response to the November 1, 2010 inspection, Williams submitted a revised site map for the Project, which was received by the Division on November 15, 2010. The Division reviewed the revised site map for the Project and identified the following deficiencies, as described in paragraphs 17 (a-c) below:

a. The revised site map identified a straw bale barrier that was installed on November 4, 2010, along the western edge of the ROW from the beginning of the Crawford Trail descent and extending approximately 1,200 feet. Stormwater runoff from this area flows in a north-northeast direction down the ROW to the trailer and storage yard, where it discharges northward down steep slopes to an un-named tributary of Parachute Creek. No BMPs were identified to stabilize the disturbed soils of the ROW or to prevent sediment and soil from discharging in a north-northeastern direction down the ROW and over the steep slopes.

b. The revised site map identified a straw wattle barrier in place at the base of the land disturbance associated with Williams' blasting of the high wall cut at the Project. The slope inclination in this area of the Project is 2:1 or greater. According to the installation and implementation specifications included with the SWMP, straw wattles are to be placed at the toe and on the face of slopes and should be placed at a maximum interval of 10 feet. However, the site map only prescribed a single row of straw wattle at the toe of the slope and did not prescribe straw wattles for the slope face.

c. The revised site map identified a vegetative buffer surrounding the disturbance associated with Williams' blasting of the high wall cut at the Project. Good engineering, hydrologic, and pollution control practices for vegetative buffers include the utilization of a combination of properly installed sediment control practices (Urban Drainage and Flood Control District, Urban Storm Drainage Criteria Manual, Volume 3), and the use of erosion control blankets for slopes that exceed a 5% grade (U.S. EPA, Menu of BMPs). The grade of the slope at this area of the Project is approximately 50%. However, the site map did not prescribe erosion control blankets for the slope, did not prescribe functional sediment control BMPs to be used in combination with the buffer (as further outlined in paragraph 13. b. above), and the vegetative buffer was not located in an area within Williams' operational control or in an area that could be routinely inspected and maintained.

18. The Division has determined that Williams failed to prepare and maintain a complete and accurate SWMP for the Project.

19. Williams' failure to prepare and maintain a complete and accurate SWMP for the Project constitutes violation(s) of Part I. B., Part I. C., and Part I. D. 5. of the Permit.

<u>Failure to Install, Maintain, or Properly Select Best Management Practices</u>

20. Pursuant to Part I. C. 3. (c) of the Permit, Williams was, and Bargath is, required to implement BMPs to reduce the potential of pollution sources from contributing pollutants to stormwater discharges, including minimizing erosion and sediment transport from the Project. The Permit specifies that structural site management practices may include, but are not limited to: straw bales, wattles/sediment control logs, silt fences, earth dikes, drainage swales, sediment traps, subsurface drains, pipe slope drains, inlet protection, outlet protection, gabions, and temporary or permanent sediment basins. The Permit specifies that non-structural site management practices may include, but are not limited to: temporary vegetation, permanent vegetation, mulching, geotextiles, sod stabilization, slope roughening, vegetative buffer strips, protection of trees and preservation of mature vegetation.

21. Pursuant to Part I. D. 2. of the Permit, Williams was, and Bargath is, required to select, design, install, implement and maintain appropriate BMPs for all potential pollutant sources at the Project, following good engineering, hydrologic and pollution control practices.

22. Pursuant to Part I. B. 3. of the Permit, Williams was, and Bargath is, required to implement the provisions of the Project's SWMP as written and updated, from commencement of construction activity until final stabilization is complete.

23. During the November 1, 2010 inspection, the Inspectors identified the following deficiencies related to BMP installation and maintenance at the Project, as described in Paragraphs 23 (a-c) below:

    a. The Inspectors observed disturbed areas located from the beginning of the ROW construction for the Crawford Trail descent and extending down gradient to the trailer and storage yard at the Project. The combined disturbance in this area was approximately 50 feet wide and 0.4 miles long with a 3% - 4% grade. No BMPs were observed in place to stabilize the disturbed areas or to prevent sediment and soil from discharging from the disturbed areas, down steep slopes, and into an un-named tributary of Parachute Creek. Consequently, erosion and sediment discharge from the disturbed area was observed.

    b. The Inspectors observed disturbed areas associated with the ROW construction for the Crawford Trail descent located from the trailer and storage yard at the Project and extending down gradient to an area just past the high wall cut at the Project. The combined disturbance in this area was approximately 50 feet wide and 0.3 miles long with a 6% - 7% grade. No BMPs were observed in place to stabilize the disturbed areas or to prevent sediment and soil from discharging from the disturbed areas to an un-named tributary of Parachute Creek. The SWMP indicated that water bars would be implemented in this area. However, no water bars were in place.

    c. The Inspectors observed a disturbed slope associated with the blasting of the high wall cut at the Project. The disturbance in this area was approximately 35 acres with a 50% grade. As indicated by the SWMP and stated by a Project representative, a straw wattle was in place at the toe of the slope. However, according to the installation and implementation specifications included in the SWMP, straw wattles are to be placed at the toe and on the face of slopes and should be placed at a maximum interval of 10 feet. No straw wattles were observed on the face of the slopes and no additional BMPs were observed in place to stabilize the disturbed slope or to prevent sediment and soil from discharging from the disturbed slope to an un-named tributary of Parachute Creek.

24. The Division has determined that Williams failed to implement and/or maintain functional BMPs for all potential pollutant sources at the Project, following good engineering, hydrologic, and pollution control practices.

25. Williams' failures to implement and/or maintain functional BMPs to protect stormwater quality during construction activities at the Project constitute violations of Part I. C. 3. (c), Part I. D. 2., and Part I. B. 3., of the Permit.

26. In response to the November 1, 2010 inspection and the issuance of the NOV/CDO, Bargath stated that, due to weather and safety concerns, it would be unable to implement BMPs for all disturbed areas of the Project until spring snowmelt occurred.

27. On June 23, 2011, Bargath certified that BMP implementation for all disturbed areas at the Project was completed on June 17, 2011.

28. The Division has determined that Bargath failed to implement and/or maintain functional BMPs for all potential pollutant sources at the Project, following good engineering, hydrologic, and pollution control practices, during the period from November 4, 2010 until June 17, 2011.

29. Bargath's failures to implement and/or maintain functional BMPs to protect stormwater quality during construction activities at the Project during the period from November 4, 2010 until June 17, 2011, constitute violations of Part I. C. 3. (c) and Part I. D. 2. of the Permit.

Failure to Perform and/or Document Inspections of Stormwater Management System

30. Pursuant to Part I. D. 6. (a) of the Permit, for active sites where construction has not been completed, Williams was, and Bargath is, required to make a thorough inspection of the Project's stormwater management system at least every 14 calendar days and within 24 hours of any precipitation or snowmelt event that causes surface erosion.

31. Pursuant to Part I. D. 6. (b) (2) of the Permit, Williams was, and Bargath is, required to keep a record of inspections that describes, among other things, the location(s) of BMPs that need maintenance, any corrective actions taken, the dates the corrective actions were taken, and any measures taken to prevent future violations. After corrective action has been taken, or where a report does not identify any incidents requiring corrective action, the inspection report shall contain a signed statement indicating the site is in compliance with the Permit.

32. In response to the November 1, 2010 inspection, Williams submitted copies of its inspection reports for the Project covering the period from July 22, 2010 – September 2, 2010. The submitted inspection reports were received by the Division on November 15, 2010. The Division reviewed the inspection reports and identified the following deficiencies related to Williams' inspection performance and documentation, as described in Paragraphs 32 (a-e) below:

    a. Each inspection report identified the need for BMP maintenance at the Project. However, the inspection reports did not identify the location(s) of the BMP(s) requiring maintenance.

    b. The inspection reports did not include a description of any corrective actions.

    c. The inspection reports did not include the dates any corrective actions were taken.

    d. The inspection reports did not include any measures taken to prevent future violations.

    e. The inspection reports did not include any signed statements indicating the site was in compliance with the Permit.

33. Williams' failure to properly document its inspections constitutes violations of Part I. D. 6. (b) (2) of the Permit.

34. The Division acknowledges that Bargath timely and satisfactorily performed all of the obligations and actions required under the NOV/CDO.

ORDER AND AGREEMENT

35. Based on the foregoing factual and legal determinations, pursuant to its authority under §§25-8-602 and 605, C.R.S., and in satisfaction of the civil penalties associated with the alleged violations cited herein and in the NOV/CDO, the Division orders Bargath to comply with all provisions of this Consent Order, including all requirements set forth below.

36. Bargath agrees to the terms and conditions of this Consent Order. Bargath agrees that this Consent Order constitutes a notice of alleged violation and an order issued pursuant to §§25-8-602 and 605, C.R.S., and is an enforceable requirement of the Act. Bargath also agrees not to challenge directly or collaterally, in any judicial or administrative proceeding brought by the Division or by Bargath against the Division:

    a. The issuance of this Consent Order;
    b. The factual and legal determinations made by the Division herein; and
    c. The Division's authority to bring, or the court's jurisdiction to hear, any action to enforce the terms of this Consent Order under the Act.

37. Notwithstanding the above, Bargath does not admit to any of the factual or legal determinations made by the Division herein, and any action undertaken by Bargath pursuant to this Consent Order shall not constitute evidence of fault and liability by Bargath with respect to the conditions of the Project.

CIVIL PENALTY

38. Based upon the application of the Division's Stormwater Civil Penalty Policy (January 25, 2007), and consistent with Departmental policies for violations of the Act, Bargath shall pay Two Hundred Seventy Five Thousand Dollars ($275,000.00) in civil penalties. The Division intends to petition the Executive Director, or his designee, to impose the Two Hundred Seventy Five Thousand Dollar ($275,000.00) civil penalty for the above violation(s) and Bargath agrees to make the payment within thirty (30) calendar days of the issuance of a Penalty Order by the Executive Director or his designee. Method of payment shall be by certified or cashier's check drawn to the order of the "Colorado Department of Public Health and Environment," and delivered to:

    Michael Harris
    Colorado Department of Public Health and Environment
    Water Quality Control Division
    Mail Code: WQCD-CAS-B2
    4300 Cherry Creek Drive South
    Denver, Colorado 80246-1530

SCOPE AND EFFECT OF CONSENT ORDER

39. The Parties agree and acknowledge that this Consent Order constitutes a full and final settlement of the civil penalties associated with the violations alleged herein and in the NOV/CDO.

40. This Consent Order is subject to the Division's "Public Notification of Administrative Enforcement Actions Policy," which includes a thirty-day public comment period. The Division and Bargath each reserve the right to withdraw consent to this Consent Order if comments received during the thirty-day period result in any proposed modification to the Consent Order.

41. This Consent Order constitutes a final agency order or action upon the date when the Executive Director or his designee imposes the civil penalty following the public comment period. Any violation of the provisions of this Consent Order by Bargath, including any false certifications, shall be a violation of a final order or action of the Division for the purpose of §25-8-608, C.R.S., and may result in the assessment of civil penalties of up to ten thousand dollars per day for each day during which such violation occurs.

42. Notwithstanding paragraph 37 above, the violations described in this Consent Order will constitute part of Bargath's compliance history for purposes where such history is relevant. This includes considering the violations described above in assessing a penalty for any subsequent violations against Bargath. Bargath agrees not to challenge the use of the cited violations for any such purpose.

LIMITATIONS, RELEASES AND RESERVATION OF RIGHTS AND LIABILITY

43. Upon the effective date of this Consent Order, and during its term, this Consent Order shall stand in lieu of any other enforcement action by the Division with respect to civil penalties for the specific instances of violations cited herein and in the NOV/CDO. The Division reserves the right to bring any action to enforce this Consent Order, including actions for penalties or the collection thereof, and/or injunctive relief.

44. This Consent Order does not grant any release of liability for any violations not specifically cited herein.

45. Nothing in this Consent Order shall preclude the Division from imposing additional requirements in the event that new information is discovered that indicates such requirements are necessary to protect human health or the environment.

46. Upon the effective date of this Consent Order, Bargath releases and covenants not to sue the State of Colorado or its employees, agents or representatives as to all common law or statutory claims or counterclaims arising from, or relating to, the violations of the Act specifically addressed herein.

47. Nothing in this Consent Order shall constitute an express or implied waiver of immunity otherwise applicable to the State of Colorado, its employees, agents or representatives.

NOTICES

48. Unless otherwise specified, any report, notice or other communication required under the Consent Order shall be sent to:

For the Division:

Colorado Department of Public Health and Environment
Water Quality Control Division / WQCD-CAS-B2
Attention: Michael Harris
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530
Telephone: 303.692.3598
E-mail: michael.harris@state.co.us

For Bargath:

Bargath LLC
Timothy A. Penton, Vice President
One Williams Center
P.O. Box 645
Tulsa, OK 74172
Telephone: 918.573.3010
E-mail: Timothy.Penton@Williams.com

MODIFICATIONS

49. This Consent Order may be modified only upon mutual written agreement of the Parties.

NOTICE OF EFFECTIVE DATE

50. This Consent Order shall be fully effective, enforceable and constitute a final agency action upon the date when the Executive Director or his designee imposes the civil penalty following closure of the public comment period referenced in paragraph 40. If the penalty as described in this Consent Order is not imposed, or an alternate penalty is imposed, this Consent Order becomes null and void.

BINDING EFFECT AND AUTHORIZATION TO SIGN

51. This Consent Order is binding upon Bargath and its corporate subsidiaries or parents, their officers, directors, successors in interest, and assigns. The undersigned warrant that they are authorized to legally bind their respective principals to this Consent Order. In the event that a party does not sign this Consent Order within thirty (30) calendar days of the other party's signature, this Consent Order becomes null and void. This Consent Order may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Consent Order.

FOR BARGATH LLC:

Timothy A. Penton, Vice President

Date: August 9, 2012

FOR THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT:

Steven H. Gunderson, Director
WATER QUALITY CONTROL DIVISION

Date: 8/21/12