COLORADO
Department of Public
Health & Environment

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

April 27, 2016

Bill Barrett Corporation
c/o Corporation Service Company
1560 Broadway Ste 2090
Denver, CO 80202

Certified Mail Number: 7014 2870 0000 7699 5948

RE: Order for Civil Penalty, Number: SP-160427-1

To Whom It May Concern:

Bill Barrett Corporation is hereby served with the enclosed Order for Civil Penalty ("Penalty Order"). This Penalty Order is issued by the Colorado Department of Public Health and Environment's Water Quality Control Division (the "Division") pursuant to the authority given to the Division by §25-8-608(2) of the *Colorado Revised Statutes*. Payment of the imposed civil penalty should be made in accordance with the methods referenced in the Penalty Order.

If you have any questions regarding the Penalty Order or the payment method, please do not hesitate to contact Eric Mink of this office at (303) 692-2312 or by electronic mail at eric.mink@state.co.us.

Sincerely,

Eric T. Mink, Enforcement Specialist
Clean Water Enforcement Unit
WATER QUALITY CONTROL DIVISION

Enclosure(s)

cc: Enforcement File

ec: Michael Boeglin, EPA Region VIII
Trevor Jiricek, Weld County Public Health & Environment
Aimee Konowal, Watershed Section, CDPHE
Michael Beck, Grants and Loans Unit, CDPHE
Doug Camrud, Engineering Section, CDPHE
Kelly Jacques, Field Services Section, CDPHE
Lillian Gonzalez, Permits Section, CDPHE
Mike Harris, Clean Water Enforcement Unit, CDPHE
Tania Watson, Compliance Assurance, CDPHE
Nathan Moore, Clean Water Compliance Unit, CDPHE
Megan Shirley, Clean Water Compliance Unit, CDPHE
Matt Lepore, COGCC
Kent Kuster, CDPHE

COLORADO
Department of Public Health & Environment

WATER QUALITY CONTROL DIVISION

ORDER FOR CIVIL PENALTY **NUMBER: SP-160427-1**

IN THE MATTER OF: **BILL BARRETT CORPORATION**
CDPS PERMIT NO. COR-030000
CERTIFICATION NO. COR-031877
WELD COUNTY, COLORADO

This matter having come to my attention as the Designee of the Executive Director of the Colorado Department of Public Health and Environment, pursuant to §25-8-608 C.R.S, I hereby impose a civil penalty in the amount of One Hundred Forty Five Thousand Dollars ($145,000.00) against Bill Barrett Corporation for the violations cited in the March 8, 2016 Compliance Order on Consent (Number: SC-160308-1). A copy of the Compliance Order on Consent is attached hereto as Exhibit A and is incorporated herein by reference. The civil penalty shall be paid within thirty (30) calendar days of the date of this Order for Civil Penalty, and as set forth in the Compliance Order on Consent.

"Method of payment shall be by certified or cashier's checks drawn to the order of the 'Colorado Department of Public Health and Environment,' and delivered to:

Eric T. Mink
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CWE-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530"

Dated this 27th day of April 2016.

Patrick J. Pfaltzgraff, Director
Water Quality Control Division
DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Exhibit A

COLORADO

Department of Public Health & Environment

WATER QUALITY CONTROL DIVISION

COMPLIANCE ORDER ON CONSENT NUMBER: SC-160308-1

IN THE MATTER OF: BILL BARRETT CORPORATION
CDPS PERMIT NO. COR-030000
CERTIFICATION NO. COR-031877
WELD 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 Bill Barrett Corporation ("Bill Barrett Corp"). The Division and Bill Barrett Corp 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-150619-1 (the "NOV/CDO"), that the Division issued to Bill Barrett Corp on June 19, 2015.

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 Bill Barrett Corp and Bill Barrett Corp's compliance with the Act and a permit issued pursuant to the Act.

3. At all times relevant to the violations cited herein, Bill Barrett Corp was a Delaware corporation in good standing and registered to conduct business in the State of Colorado.

4. Bill Barrett Corp is a "person" as defined by §25-8-103(13), C.R.S. and its implementing permit regulation, 5 CCR 1002-61, §61.2(73).

5. Bill Barrett Corp initiated construction at the DJ Basin Colorado Project with a total project area of approximately 60,000 acres and a planned disturbance area of approximately 500 acres of land at approximately 40°16'29" N and 104°38'06" W, in Weld County, Colorado (the "Project").

6. Bill Barrett Corp's construction activities at the Project are covered under the Colorado Discharge Permit System General Permit Number COR-030000, for Stormwater Discharges Associated with Construction Activity (the "Permit").

7. On April 3, 2012, the Division provided Bill Barrett Corp with Certification Number COR-031877 (the "Certification") authorizing Bill Barrett Corp to discharge stormwater from the construction activities associated with the Project to various waters of the State of Colorado, including but not limited to the South Platte River, under the terms and conditions of the Permit. The Certification became effective April 3, 2012 and remains in effect until Permit reissuance or until Bill Barrett Corp inactivates permit coverage.

8. The South Platte River, Riverside Reservoir and other various waters of the State of Colorado 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. Pursuant to 5 CCR 1002-61, §61.8, Bill Barrett Corp must comply with all the terms and conditions of the Permit, and violations of such terms and conditions may be subject to civil and criminal liability pursuant to §§25-8-601 through 25-8-612, C.R.S.

10. On March 19, 2015, a representative from the Division (the "Inspector") conducted an on-site inspection of the Project pursuant to the Division's authority under §25-8-306, C.R.S., to determine Bill Barrett Corp's compliance with the Water Quality Control Act and the Permit. During the inspection, the Inspector interviewed Project representatives, reviewed the Project's stormwater management system records and performed a physical inspection of the Project. The inspection covered ten (10) well pads within the Project, along with the access roads and pipeline right-of-ways associated with those ten (10) well pads, with a total disturbed area of approximately 92.9 acres. The ten (10) well pads are identified in the table below, along with the dates construction began for each well pad.

Well Pad Name	Date Construction Began
Anschutz Equus Farm 4-62-15_22 NENE	11/28/2014
Anschutz Equus Farm 4-62-15_22 NENW	8/10/2014
Anschutz State 5-62-26_25 SWNW	2/19/2015
Anschutz Equus Farms 4-62-15_22 NWNE	12/7/2014
Anschutz State 5-62-35_36 NWNW	12/19/2014
Anschutz Equus Farms North 4-62-9	4/14/2014
Anschutz Equus Farms NE 4-62-16	8/6/2014
Anschutz O'Brien 5-61-33	10/19/2012
Kunsemiller 5-61-21	11/7/2013
Hawkins 5-61-21	7/30/2013

Deficient and/or Incomplete Stormwater Management Plan

11. Pursuant to Part I.B. of the Permit, Bill Barrett Corp 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.

12. 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 washouts.
        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. 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.

13. During the March 19, 2015 inspection, the Inspector reviewed the Project's SWMP and identified that the SWMP did not clearly identify all items required by Part I.C. of the Permit, as described in Paragraphs 13(a-i) below:

    a. The site description section of the SWMP failed to include an acreage estimate of the disturbed area.
    b. The site description section of the SWMP failed to identify the existing soil types for each development location.
    c. The site description section of the SWMP failed to identify the existing vegetation or the estimated percent of vegetative cover.
    d. The SWMP site map failed to identify the area of ground surface disturbance at each location within the Project.
    e. The SWMP site map failed to identify the locations of stored materials, equipment, stockpiles or wastes.
    f. The SWMP site map failed to identify all the structural control measures being used, including but limited to straw wattles being used as perimeter controls.
    g. The SWMP site map failed to identify all the non-structural control measures being used, including but not limited to surface roughening being used on soil stockpiles.
    h. The stormwater management controls section of the SWMP failed to describe installation and implementation specification for cattle guards to be used as tracking control devices at the Project.
    i. The stormwater management controls section of the SWMP failed to provide a design capacity of ditch and berm control measures used at the Project.

14. The Division has determined that Bill Barrett Corp failed to prepare and maintain a complete and accurate SWMP for the Project.

15. Bill Barrett Corp's failure to prepare and maintain a complete and accurate SWMP for the Project constitutes violation(s) of Part I.B. and Part I.C. of the Permit.

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

16. Pursuant to Part I.D.6.a. of the Permit, for active sites where construction has not been completed, Bill Barrett Corp is required to make a thorough inspection of the Project's stormwater management system at least every 14 calendar days. For sites where construction has been completed but final stabilization has not been achieved, Bill Barrett Corp is required to make a thorough inspection of the Project's stormwater management system at least once every month.

17. Pursuant to Part I.D.6.b.2. of the Permit, inspection reports must include a signed statement indicating that corrective action(s) have been taken and the site is in compliance with the Permit.

18. Pursuant to Part I.D.6.c. of the Permit, where site inspections note the need for BMP maintenance, BMPs must be maintained in effective operating condition. Repair, replacement or installation of new BMPs must be maintained in effective operating condition.

19. Pursuant to Part I.D.8. of the Permit, where site inspections note the need for BMP maintenance, the repair, replacement or installation of new BMPs must be addressed as soon as possible, immediately in most cases, to minimize the discharge of pollutants.

20. During the March 19, 2015 inspection, the Inspector reviewed the available inspection records for the Project for the period from September 1, 2014 - March 16, 2015. The Inspector determined that Bill Barrett Corp failed to perform an inspection of the stormwater management system at least once every 14 calendar days for the Project's well pads and timeframes listed in the table below.

Site	Inspection Date	Subsequent Inspection Date	Days Between
Anschutz Equus Farm 4-62-15_22 NENW	1/19/2015	2/3/2015	15
	2/3/2015	2/18/2015	15
	2/18/2015	3/5/2015	15
Anschutz Equus Farms 4-62-15_22 NWNE	1/19/2015	2/3/2015	15
	2/3/2015	2/18/2015	15
	2/18/2015	3/5/2015	15
Anschutz Equus Farms North 4-62-9	1/19/2015	2/3/2015	15
	2/3/2015	2/18/2015	15
	2/18/2015	3/5/2015	15
Site	Inspection Date	Subsequent Inspection Date	Days Between
Anschutz Equus Farm 4-62-15_22 NENE	1/19/2015	2/3/2015	15
	2/3/2015	2/18/2015	15
	2/18/2015	3/5/2015	15
Anschutz Equus Farms NE 4-62-16	1/19/2015	2/3/2015	15
	2/3/2015	2/18/2015	15
	2/18/2015	3/5/2015	15
Anschutz State 5-62-35_36 NWNW	1/19/2015	2/3/2015	15
	2/3/2015	2/18/2015	15
	2/18/2015	3/5/2015	15
Hawkins 5-61-21	9/1/2014	9/16/2014	15
Kunsemiller 5-61-21	9/1/2014	9/18/2014	17

21. During the March 19, 2015 inspection, the Inspector reviewed the available inspection records and determined that Bill Barrett Corp failed to perform monthly inspections for the well pads and timeframes listed in the table below, when construction was completed but final stabilization was not achieved.

Site	Inspection Date	Subsequent Inspection Date	Days Between
Anschutz O'Brien 5-61-33	9/18/2014	11/26/2014	69
	11/26/2014	1/6/2015	41
	1/20/2015	3/3/2015	42
Hawkins 5-61-21	11/26/2014	1/6/2015	41
Kunsemiller 5-61-21	11/26/2014	1/6/2015	41

22. During the March 19, 2015 inspection, the Inspector reviewed the available inspection records and determined that Bill Barrett Corp failed to meet the compliance statement requirements by dating compliance signatures prior to the date that the applicable corrective action(s) were completed.

23. During the March 19, 2015 inspection, the Inspector reviewed the available inspection records and determined multiple BMPs throughout the Project were identified as being in need of maintenance or replacement but the inspection records did not identify if the required corrective

actions were ever completed. The table below identifies the well pads and timeframes associated with the corrective actions.

Site	Date Corrective Action Identified	Identified Corrective Actions Incomplete as of 3/19/2015
Anschutz Equus Farms 4-62-15_22 NWNE	2/18/2015	
Anschutz Equus Farm 4-62-15_22 NENE	3/5/2015	
Hawkins 5-61-21	3/3/2015	

24. During the March 19, 2015 inspection, the Inspector reviewed the available inspection records and determined multiple BMPs throughout the Project were identified as being in need of maintenance or replacement but the applicable corrective actions were not completed in accordance with Part I.D.8. of the Permit. The table below identifies the well pads and timeframes associated with the corrective actions.

Site	Date Corrective Action Identified	Date Corrective Action Completed	Days to Completion
Anschutz Equus Farm 4-62-15_22 NENW	1/5/2015	1/14/2015	9
	1/19/2015	1/30/2015	11
Anschutz Equus Farms 4-62-15_22 NWNE	1/14/2015	1/30/2015	16
Anschutz Equus Farms North 4-62-9	10/15/2014	10/20/2014	5
	12/22/2014	3/5/2015	73
	12/22/2014	2/6/2015	46
Anschutz Equus Farm 4-62-15_22 NENE	11/10/2014	1/7/2015	58
Anschutz Equus Farms NE 4-62-16	11/10/2014	12/8/2015	28
	1/19/2015	1/29/2015	10
Anschutz O'Brien 5-61-33	11/26/2014	1/6/2015	41
Anschutz State 5-62-35_36 NWNW	1/14/2015	1/22/2015	17
	2/3/2015	2/7/2015	4
Anschutz State 5-62-26_25 SWNW	3/2/2015	3/17/2015	15
Hawkins 5-61-21	1/20/2015	1/26/2015	6
Kunsemiller 5-61-21	10/2/2014	10/7/2015	5

25. Bill Barrett Corp's failure to properly perform and document inspections of the Project's stormwater management system constitutes violation(s) of Parts I.D.6.a., I.D.6.b.2., I.D.6.c. and I.D.8. of the Permit.

Failure to Install, Maintain, or Properly Select Best Management Practices

26. Pursuant to Part I.C.3.c. of the Permit, Bill Barrett Corp 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.

27. Pursuant to Part I.D.2. of the Permit, Bill Barrett Corp is required to select, design, install, implement and maintain appropriate BMPs, following good engineering, hydrologic and pollution control practices. The BMPs implemented at the site must be adequately designed to provide control for all potential pollutant sources associated with construction activity at the Project.

28. Pursuant to Part I.B.3. of the Permit, Bill Barrett Corp 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.

29. During the March 19, 2015 inspection, the Inspector identified the following deficiencies related to BMP installation and maintenance at the Project, as described in Paragraphs 29(a-pp) below:

    a. The Inspector observed that control measures were not implemented to manage stormwater runoff from chemical waste from the portable toilet located at the Anschutz Equus Farms NE 4-62-16 well pad. The SWMP specified that temporary sanitary facilities be secured to the ground to prevent overturning. However, the portable toilet was not staked down or secured appropriately. Additional inadequate control measures were implemented down gradient of the portable toilet (see paragraphs 29(g) and 29(m)). Stormwater from this area of the Project flows south to the South Platte River.

    b. The Inspector observed that control measures were not implemented to manage stormwater runoff from chemical waste from the portable toilets located at the Anschutz State 5-62-35_36 NWNW well pad. The SWMP specified that temporary sanitary facilities be secured to the ground to prevent overturning. However, the portable toilets were not staked down or secured appropriately. Additional inadequate control measures were implemented down gradient of the portable toilets (see paragraphs 29(o)). Stormwater from this area of the Project flows southeast to the Riverside Reservoir.

    c. The Inspector observed inadequate control measures implemented to manage stormwater runoff from chemical waste from portable toilets located at the Anschutz State 5-62-26_25 SWNW well pad. The SWMP specified that temporary sanitary facilities be checked for leaks. However, the portable toilets were observed to have cleaners and/or fluids running out the back and on to the ground. Additional inadequate control measures were implemented down gradient of the portable toilets (see paragraphs 29(i) and 29(p)). Stormwater from this area of the Project flows south to the South Platte River.

    d. The Inspector observed straw wattle perimeter control measures at the Anschutz Equus Farm 4-62-15_22 NENE well pad. The straw wattles were not implemented and maintained according to the SWMP or good pollution control practices. The straw wattle control measures were not properly secured, contained holes or tears, were not properly overlapped and/or contained sediment exceeding greater than half the distance between the top of the wattle and the surface. These deficiencies impaired the ability of the straw wattles to provide an effective mechanism for pollutant removal from the disturbed area. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows southwest to the South Platte River or southeast to an unnamed surface water.

    e. The Inspector observed straw wattle perimeter control measures at the Anschutz Equus Farms 4-62-15_22 NWNE well pad. The straw wattles were not implemented and maintained according to the SWMP or good pollution control practices. The straw wattle control measures were not properly secured, contained holes or tears, were not properly

overlapped and/or contained sediment exceeding greater than half the distance between the top of the wattle and the surface. These deficiencies impaired the ability of the straw wattles to provide an effective mechanism for pollutant removal from the disturbed area. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows southwest to the South Platte River.

f. The Inspector observed straw wattle perimeter control measures at the Anschutz Equus Farm 4-62-15_22 NENW well pad. The straw wattles were not implemented and maintained according to the SWMP or good pollution control practices. The straw wattle control measures were not properly secured, contained holes or tears, were not properly overlapped and/or contained sediment exceeding greater than half the distance between the top of the wattle and the surface. These deficiencies impaired the ability of the straw wattles to provide an effective mechanism for pollutant removal from the disturbed area. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows south and southwest to the South Platte River.

g. The Inspector observed straw wattle perimeter control measures at the Anschutz Equus Farms NE 4-62-16 well pad. The straw wattles were not implemented and maintained according to the SWMP or good pollution control practices. The straw wattle control measures were not properly secured, were not properly overlapped and/or contained sediment exceeding greater than half the distance between the top of the wattle and the surface. These deficiencies impaired the ability of the straw wattles to provide an effective mechanism for pollutant removal from the disturbed area. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows south to the South Platte River.

h. The Inspector observed straw wattle perimeter control measures at the Anschutz Equus Farms North 4-62-9 well pad. The straw wattles were not implemented and maintained according to the SWMP or good pollution control practices. The straw wattle control measures were not properly secured, contained holes or tears, were not properly overlapped and/or contained sediment exceeding greater than half the distance between the top of the wattle and the surface. These deficiencies impaired the ability of the straw wattles to provide an effective mechanism for pollutant removal from the disturbed area. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows north and northwest to the Riverside Reservoir.

i. The Inspector observed straw wattle perimeter control measures at the Anschutz State 5-62-26_25 SWNW well pad. The straw wattles were not implemented and maintained according to the SWMP or good pollution control practices. The straw wattle control measures were not properly secured and/or contained sediment exceeding greater than half the distance between the top of the wattle and the surface. These deficiencies impaired the ability of the straw wattles to provide an effective mechanism for pollutant removal from the disturbed area. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows south to the South Platte River.

j. The Inspector observed a ditch and berm perimeter control measure inadequately implemented at the Anschutz Equus Farm 4-62-15_22 NENE well pad. The SWMP specified that ditch and berm control measures be compacted, have positive drainage to an outlet and be cleared of sediment. However, the ditch and berm control measure identified for this area was not compacted, did not have positive drainage to an outlet and was not

cleared of sediment. Additional inadequate control measures were implemented down gradient of the ditch and berm control measure (see paragraph 29(d)). Stormwater from this area of the Project flows southwest to the South Platte River or southeast to an unnamed surface water.

k. The Inspector observed a berm perimeter control measure inadequately implemented at the Anschutz Equus Farms 4-62-15_22 NWNE well pad. The SWMP specified that berm control measures be compacted and maintained at the original height. However, the berm control measure identified for this area was not compacted and contained a section that was at the same height as the surrounding ground. Additional inadequate control measures were implemented down gradient of the berm control measure (see paragraph 29(e)). Stormwater from this area of the Project flows southwest to the South Platte River.

l. The Inspector observed a berm perimeter control measure inadequately implemented at the Anschutz Equus Farm 4-62-15_22 NENW well pad. The SWMP specified that berm control measures be compacted. However, the berm control measure identified for this area was not compacted. Additional inadequate control measures were implemented down gradient of the berm control measure (see paragraph 29(f)). Stormwater from this area of the Project flows south and southwest to the South Platte River.

m. The Inspector observed a berm perimeter control measure inadequately implemented at the Anschutz Equus Farms NE 4-62-16 well pad. The SWMP specified that berm control measures be compacted. However, the berm control measure identified for this area was not compacted. Additional inadequate control measures were implemented down gradient of the berm control measure (see paragraph 29(g)). Stormwater from this area of the Project flows south to the South Platte River.

n. The Inspector observed that berm and ditch and berm perimeter control measures inadequately implemented at the Anschutz Equus Farms North 4-62-9 well pad. The SWMP specified that ditch and berm and berm control measures be compacted, have positive drainage to an outlet, maintained at the original height and/or be cleared of sediment. However, the berm and ditch and berm control measures identified for this area were not compacted, were not cleared of sediment, contained sections in need of repair and/or did not convey runoff to sediment trapping control measures. Additional inadequate control measures were implemented down gradient of the berm and ditch and berm control measures (see paragraph 29(h)). Stormwater from this area of the Project flows north and northwest to the Riverside Reservoir.

o. The Inspector observed that berm and ditch and berm perimeter control measures inadequately implemented at the Anschutz State 5-62-35_36 NWNW well pad. The SWMP specified that ditch and berm and berm control measures be compacted, maintained at the original height and/or be cleared of sediment. However, the berm and ditch and berm control measures identified for this area were not compacted, were not cleared of sediment and/or contained sections in need of repair. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows southeast to the Riverside Reservoir.

p. The Inspector observed a ditch and berm perimeter control measure inadequately implemented at the Anschutz State 5-62-26_25 SWNW well pad. The SWMP specified that ditch and berm control measures be compacted, have positive drainage to an outlet and be cleared of sediment. However, the ditch and berm control measure identified for this area

was not compacted, did not have positive drainage to an outlet and was not cleared of sediment. Additional inadequate control measures were implemented down gradient of the ditch and berm control measure (see paragraph 29(i)). Stormwater from this area of the Project flows south to the South Platte River.

q. The Inspector observed there were no control measures implemented to manage stormwater runoff from the disturbed area along the southeast side of the Anschutz Equus Farm 4-62-15_22 NENE well pad. The disturbed area was located outside the perimeter control measures that were in place at the well pad. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows southwest to the South Platte River or southeast to an unnamed surface water.

r. The Inspector observed there were no control measures implemented to manage stormwater runoff from the disturbed area along the north side of the Anschutz Equus Farms 4-62-15_22 NWNE well pad, running parallel to the access road and well pad. The disturbed area was located outside the perimeter control measures that were in place at the well pad. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows southwest to the South Platte River.

s. The Inspector observed there were no control measures implemented to manage stormwater runoff from the disturbed area along the north side of the Anschutz Equus Farm 4-62-15_22 NENW well pad, running parallel to the access road and well pad. The disturbed area was located outside the perimeter control measures that were in place at the well pad. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows south and southwest to the South Platte River.

t. The Inspector observed there were no control measures implemented to manage stormwater runoff from the disturbed area along the north side of the Anschutz Equus Farms NE 4-62-16 well pad, running parallel to the access road and well pad. The disturbed area was located outside the perimeter control measures that were in place at the well pad. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows south to the South Platte River.

u. The Inspector observed inadequate control measures implemented to manage pollutant contributions to stormwater from construction material waste at the Anschutz Equus Farms 4-62-15_22 NWNE well pad. The SWMP required that construction material waste be stored in enclosed dumpsters or trash receptacles. However, the dumpsters located at the well pad were not enclosed. Additional inadequate control measures were implemented down gradient of the dumpsters (see paragraphs 29(e) and 29(k)). Stormwater from this area of the Project flows southwest to the South Platte River.

v. The Inspector observed inadequate control measures implemented to manage pollutant contributions to stormwater from construction material waste at the Anschutz Equus Farm 4-62-15_22 NENW well pad. The SWMP required that construction material waste be stored in enclosed dumpsters or trash receptacles. However, the dumpster located at the well pad was not enclosed. Additional inadequate control measures were implemented down gradient of the dumpster (see paragraphs 29(f) and 29(l)). Stormwater from this area of the Project flows south and southwest to the South Platte River.

w. The Inspector observed inadequate control measures implemented to manage pollutant contributions to stormwater from construction material waste at the Anschutz Equus Farms NE 4-62-16 well pad. The SWMP required that construction material waste be stored in enclosed dumpsters or trash receptacles and dumpsters be routinely emptied. However, the dumpster located at the well pad was not enclosed and was exceeding capacity, and construction waste material was observed being blown around the well pad. Additional inadequate control measures were implemented down gradient of the dumpster (see paragraphs 29(g) and 29(m)). Stormwater from this area of the Project flows south to the South Platte River.

x. The Inspector observed inadequate control measures implemented to manage pollutant contributions to stormwater from construction material waste at the Anschutz State 5-62-35_36 NWNW well pad. The SWMP required that construction material waste be stored in enclosed dumpsters or trash receptacles. However, the dumpster located at the well pad was not enclosed. Additional inadequate control measures were implemented down gradient of the dumpster (see paragraph 29(o)). Stormwater from this area of the Project flows southeast to the Riverside Reservoir.

y. The Inspector observed there were no control measures implemented to manage stormwater runoff from the drill cuttings located at the Anschutz Equus Farms 4-62-15_22 NWNE well pad. The SWMP required that drill cuttings stored or staged onsite be kept within lined containers. However, drill cuttings were stored or staged directly on the ground instead of within lined containers. Additional inadequate control measures were implemented down gradient of the dumpsters (see paragraphs 29(e) and 29(k)). Stormwater from this area of the Project flows southwest to the South Platte River.

z. The Inspector observed there were no control measures implemented to manage stormwater runoff from the drill cuttings located at the Anschutz State 5-62-35_36 NWNW well pad. The SWMP required that drill cuttings stored or staged onsite be kept within lined containers. However, drill cuttings were stored or staged directly on the ground instead of within lined containers. Additional inadequate control measures were implemented down gradient of the dumpsters (see paragraph 29(o)). Stormwater from this area of the Project flows southeast to the Riverside Reservoir.

aa. The Inspector observed there were no control measures implemented to manage stormwater runoff from the drill cuttings located at the Anschutz State 5-62-26_25 SWNW well pad. The SWMP required that drill cuttings stored or staged onsite be kept within lined containers. However, drill cuttings were stored or staged directly on the ground instead of within lined containers. Additional inadequate control measures were implemented down gradient of the dumpsters (see paragraphs 29(i) and 29(p)). Stormwater from this area of the Project flows south to the South Platte River.

bb. The Inspector observed a surface roughening control measure inadequately implemented at the Anschutz Equus Farms 4-62-15_22 NWNE well pad. The SWMP specified that surface roughening control measure be two (2) to four (4) inches deep running parallel to the contour. However, the surface roughening identified for this area was not two (2) to four (4) inches deep running parallel to the contour. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows southwest to the South Platte River.

cc. The Inspector observed a surface roughening control measure inadequately implemented at the Anschutz Equus Farm 4-62-15_22 NENW well pad. The SWMP specified that surface roughening control measures be two (2) to four (4) inches deep running parallel to the contour. However, the surface roughening identified for this area was not two (2) to four (4) inches deep running parallel to the contour. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows south and southwest to the South Platte River.

dd. The Inspector observed a surface roughening control measure inadequately implemented at the Anschutz State 5-62-35_36 NWNW well pad. The SWMP specified that surface roughening control measure be two (2) to four (4) inches deep running parallel to the contour. However, the surface roughening identified for this area was not two (2) to four (4) inches deep running parallel to the contour. Additional inadequate control measures were implemented down gradient of the dumpster (see paragraph 29(o)). Stormwater from this area of the Project flows southeast to the Riverside Reservoir.

ee. The Inspector observed inadequate control measures implemented at the Anschutz Equus Farms 4-62-15_22 NWNE well pad to manage a spill. The SWMP specified that all spills must be promptly remediated and contaminated material hauled offsite for proper disposal. However, the identified spill was not promptly remediated and the contaminated material was not hauled offsite for proper disposal. Additional inadequate control measures were implemented down gradient of the spill (see paragraphs 29(e) and 29(k)). Stormwater from this area of the Project flows southwest to the South Platte River.

ff. The Inspector observed inadequate control measures implemented at the Anschutz Equus Farm 4-62-15_22 NENW well pad to manage spills from varying materials. The SWMP specified that all spills must be promptly remediated and contaminated material hauled offsite for proper disposal. However, the identified spill was not promptly remediated and the contaminated material was not hauled offsite for proper disposal. Additional inadequate control measures were implemented down gradient of the spills (see paragraphs 29(f) and 29(l)). Stormwater from this area of the Project flows south and southwest to the South Platte River.

gg. The Inspector observed inadequate control measures implemented at the Anschutz Equus Farms NE 4-62-16 well pad to manage a spill. The SWMP specified that all spills must be promptly remediated and contaminated material hauled offsite for proper disposal. However, the identified spill was not promptly remediated and the contaminated material was not hauled offsite for proper disposal. Additional inadequate control measures were implemented down gradient of the spill (see paragraphs 29(g) and 29(m)). Stormwater from this area of the Project flows south to the South Platte River.

hh. The Inspector observed inadequate control measures implemented at the Anschutz Equus Farms North 4-62-9 well pad to manage spills from varying materials. The SWMP specified that all spills must be promptly remediated and contaminated material hauled offsite for proper disposal. However, the identified spill was not promptly remediated and the contaminated material was not hauled offsite for proper disposal. Additional inadequate control measures were implemented down gradient of the spills (see paragraphs 29(h) and 29(n)). Stormwater from this area of the Project flows north and northwest to the Riverside Reservoir.

ii. The Inspector observed there was no vehicle tracking control measure implemented at the egress to the Anschutz Equus Farms North 4-62-9 well pad. The SWMP site map identified a cattle guard to manage contributions to stormwater from sediment from disturbed areas at the well pad. However, the identified control measure was not installed. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows north and northwest to the Riverside Reservoir.

jj. The Inspector observed there was no vehicle tracking control measure implemented at the egress to the Anschutz State 5-62-35_36 NWNW well pad. The SWMP site map identified a cattle guard to manage contributions to stormwater from sediment from disturbed areas at the well pad. However, the identified control measure was not installed. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows southeast to the Riverside Reservoir.

kk. The Inspector observed inadequate control measures implemented at the Anschutz State 5-62-26_25 SWNW well pad to manage drilling materials. The SWMP specified that petroleum products and any other chemicals shall have secondary containment, and all spills must be promptly remediated and contaminated material hauled offsite for proper disposal. However, drilling fluids, completion fluids and significant materials were not stored within secondary containment and spills were not promptly remediated and the contaminated materials were not hauled offsite for proper disposal. Additional inadequate control measures were implemented down gradient of the drilling materials (see paragraphs 29(i) and 29(p)). Stormwater from this area of the Project flows south to the South Platte River.

ll. The Inspector observed inadequate control measures implemented at the culverts near the access road to the Hawkins 5-61-21 well pad. The SWMP specified that culvert outlets extend at least one foot beyond the toe of the slope; rip rap or erosion control blanket be installed at the outlet; and sediment and/or debris be removed to prevent blockage. However, the culvert outlet was not extended at least one foot beyond the toe of the slope; rip rap or erosion control blanketing was not installed; and sediment and/or debris was not removed to prevent blockage. No additional control measures were implemented down gradient of the culvert. Stormwater from this area of the Project flows south to the Riverside Reservoir.

mm. The Inspector observed inadequate control measures implemented at the culverts near the access road to the Anschutz O'Brien 5-61-33 well pad. The SWMP specified that culvert outlets extend at least one foot beyond the toe of the slope; rip rap or erosion control blanket be installed at the outlet; and sediment and/or debris be removed to prevent blockage. However, the culvert outlet was not extended at least one foot beyond the toe of the slope; rip rap or erosion control blanketing was not installed; and sediment and/or debris was not removed to prevent blockage. No additional control measures were implemented down gradient of the culvert. Stormwater from this area of the Project flows south to the South Platte River.

nn. The Inspector observed a berm perimeter control measure inadequately implemented at the Kunsemiller 5-61-21 well pad. The SWMP specified that berm control measures be compacted or stabilized with vegetation and have positive drainage to an outlet. However, the berm identified for this area was not compacted or stabilized with vegetation and did not have positive drainage to an outlet. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows south to the South Platte River.

oo. The Inspector observed a berm perimeter control measure inadequately implemented at the Hawkins 5-61-21 well pad. The SWMP specified that berm control measures be compacted or stabilized with vegetation and have positive drainage to an outlet. However, the berm identified for this area was not compacted or stabilized with vegetation and did not have positive drainage to an outlet. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows south to the Riverside Reservoir.

pp. The Inspector observed a berm perimeter control measure inadequately implemented at the Anschutz O'Brien 5-61-33 well pad. The SWMP specified that berm control measures be compacted or stabilized with vegetation and have positive drainage to an outlet. However, the berm identified for this area was not compacted or stabilized with vegetation and did not have positive drainage to an outlet. No additional control measures were implemented down gradient of this area. Stormwater from this area of the Project flows south to the South Platte River.

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

31. Bill Barrett Corp's failure to implement and/or maintain functional BMPs to protect stormwater quality during construction activities at the Project constitutes violations of Part I.C.3.c., Part I.D.2., and Part I.B.3. of the Permit.

ORDER AND AGREEMENT

32. 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 Bill Barrett Corp to comply with all provisions of this Consent Order, including all requirements set forth below.

33. Bill Barrett Corp agrees to the terms and conditions of this Consent Order. Bill Barrett Corp 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. Bill Barrett Corp also agrees not to challenge directly or collaterally, in any judicial or administrative proceeding brought by the Division or by Bill Barrett Corp 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.

34. Notwithstanding the above, Bill Barrett Corp does not admit to any of the factual or legal determinations made by the Division herein, and any action undertaken by Bill Barrett Corp pursuant to this Consent Order shall not constitute evidence of fault and liability by Bill Barrett Corp with respect to the conditions of the Project. Bill Barrett Corp expressly reserves its rights to deny any of the Division's factual or legal determinations or defend itself in any other third party proceeding relating to the information identified in this Consent Order.

CIVIL PENALTY

35. Based upon the factors set forth in §25-8-608(1), C.R.S., and consistent with Departmental policies for violations of the Act, Bill Barrett Corp shall pay One Hundred Forty Five Thousand Dollars ($145,000.00) in civil penalties. The Division intends to petition the Executive Director, or his designee, to impose the One Hundred Forty Five Thousand Dollar ($145,000.00) civil penalty for the above violations and Bill Barrett Corp agrees to make the payment within thirty (30) calendar days of the issuance of an Order for Civil Penalty 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:

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

SCOPE AND EFFECT OF CONSENT ORDER

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

37. This Consent Order is subject to the Division's "Public Notification on Administrative Enforcement Actions Policy," which includes a thirty day public comment period. The Division and Bill Barrett Corp 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.

38. 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 Bill Barrett Corp, 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.

39. Notwithstanding paragraph 34 above, the violations described in this Consent Order will constitute part of Bill Barrett Corp's compliance history.

LIMITATIONS, RELEASES AND RESERVATION OF RIGHTS AND LIABILITY

40. 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.

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

42. Bill Barrett Corp reserves its rights and defenses regarding the Project other than proceedings to enforce this Consent Order.

43. Nothing in this Consent Order shall preclude the Division from imposing additional requirements necessary to protect human health or the environment and to effectuate the purposes of the Consent Order. Nor shall anything in this Consent Order preclude the Division from imposing additional requirements in the event that additional information is discovered that indicates such requirements are necessary to protect human health or the environment.

44. Bill Barrett Corp 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 or for any injuries or damages to persons or property resulting from acts or omissions of Bill Barrett Corp, or those acting for or on behalf of Bill Barrett Corp, including its officers, employees, agents, successors, representatives, contractors, consultants or attorneys in carrying out activities pursuant to this Consent Order. 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

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

For the Division:

Eric T. Mink
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CWE-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530
Telephone: 303-692-2312
E-mail: eric.mink@state.co.us

For Bill Barrett Corporation:

Ken Wonstolen, Senior Vice President-General Counsel
Bill Barrett Corporation
1099 18th St., Ste. 2300
Denver, CO 80202

MODIFICATIONS

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

Received
FEB 2 6 2016
Water Quality Control

NOTICE OF EFFECTIVE DATE

47. 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 37. 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

48. This Consent Order is binding upon Bill Barrett Corp and its corporate subsidiaries or parents, their officers, directors, employees, 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 Bill Barrett Corp 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 BILL BARRETT CORPORATION:

_____ Date: 2/24/16
Ken Wonstolen, Senior Vice President - General Counsel

FOR THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT:

_____ Date: 3/8/16
Nicole Rowan, P.E.
Clean Water Program Manager
WATER QUALITY CONTROL DIVISION