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FILED

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Jim Ruby, Executive Secretary
Environmental Quality Council

John Corra, Chair
Environmental Quality Council
2300 Capitol Avenue
Hathaway Bldg. 1st, Room 136
Cheyenne, WY 82002

Re: Challenges to Wyoming Permits

Dear Mr. Corra:

Enclosed please find Citation Oil & Gas Corp.'s ("Citation") Petitions for Review and Requests for Hearing ("Petitions") relating to Permit No. P0027427 (Dallas Dome Tank Battery (F003333)), Permit No. P0027433 (Embar 1 Tank Battery (F004573)), Permit No. P0027428 (Embar 3 Tank Battery (F006413)), Permit No. P0027429 (NWD 1 Tank Battery (F004577)), Permit No. P0027430 (NWD 2 Tank Battery (F004576)), Permit No. P0027431 (Tensleep 1 Tank Battery (F004571)), and Permit No. P0027432 (Tensleep 2 Tank Battery (F004572)).

As outlined in the *Petitions*, Citation conducted an audit of its Wyoming facilities in 2018 pursuant to the Audit Privilege and Immunity Provisions in the Wyoming Environmental Quality Act (Wyo. Stat. Ann. §§ 35-11-1105 through 1106). In the months following the audit, Citation voluntarily disclosed potential areas of noncompliance to the Department of Environmental Quality (the "DEQ"). Citation subsequently worked with the Air Quality Division (the "AQD") to address the audit results and potential corrective action. During that process, Citation and AQD agreed that the facilities at issue would be permitted as existing facilities with no modifications. Relying on this understanding, Citation applied for several minor source air permits for the existing, unmodified facilities.

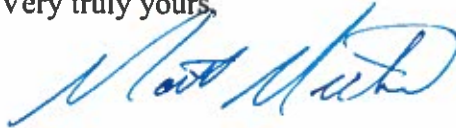
In early June 2020 and prior months, AQD issued Citation a number of permits, including the permits at issue in the enclosed Petitions. Each permit as listed above and others, however, contain various improper permit conditions that are inapplicable to existing facilities with no modifications. The enclosed petitions request the Council's review and modification of the permits and the improper permit conditions.

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Citation hopes to engage in meaningful settlement discussions with the Respondent in this matter, with the goal of reaching early resolution of the claims contained in these petitions.

Very truly yours,



Matt Micheli
Partner
of Holland & Hart LLP

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