FILED

JUN 0 9 2005

BEFORE THE

Terri A. Lorenzon, Director Environmental Quality Council

DEPARTMENT OF ENVIRONMENTAL QUALITY

STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF VIOLATION & ORDER ISSUED TO:

Barry C.J. Ehrl Derek Oil & Gas Corporation PO Box 823 Newcastle, WY 82701

DOCKET NUMBER 3649-05

NOTICE OF COMPLIANCE

The Department of Environmental Quality (DEQ), Water Quality Division (WQD) issued a Notice of Violation and Order, Docket Number 3649-05 to the Derek Oil & Gas Corporation on January 24, 2005. The Notice was issued for failing to pay WYPDES permit fees as required by W.S. 35-11-701(c). Derek Oil & Gas Corporation did not appeal the Notice of Violation and Order, and the Order became final. The WYPDES permit was taken over by Ivanhoe Energy USA Inc. on January 20, 2004, and Ivanhoe proceeded to pay the WYPDES permit fee.

The Notice of Violation and Order required Derek Oil & Gas Corporation to pay all permit fees within 30 days of receiving the Notice, or provide documentation stating why the fees should not be paid. Derek Oil & Gas Corporation has complied with the conditions in Docket Number 3649-05 because the permit was taken over by Ivanhoe Energy USA Inc who paid all permit fees and the DEQ finds that all terms of the Order have been satisfied.

Brian R. Bohlmann, P.E.

WYPDES Compliance Program Principal

Water Quality Division

Wyoming DEQ

cc:

NOV Docket 3649-05, through Barb Barns (IPS)