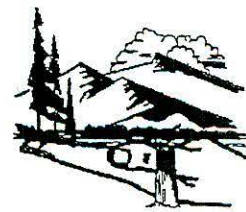




Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.



Matthew H. Mead, Governor

Todd Parfitt, Director

CERTIFIED

November 8, 2012

Greg Greenough
High Plains Gas, LLC
P.O. Box 1564
Gillette, WY 82717

FILED

JAN 27 2014

Jim Ruby, Executive Secretary
Environmental Quality Council

Re: Delinquent WYPDES permit fees and annual bonding increase

Dear Mr. Greenough:

High Plains Gas, LLC is delinquent in the payment of fees for 49 WYPDES discharge permits in the amount of \$4,900 for permits held by the company in calendar year 2011. Of those, 48 permits are still in effect; (WY0040819) was retired in 2011 but the permit fee for that year is still outstanding. Additionally, High Plains has failed to submit the required annual bond increase for 2012 in the amount of \$64,504.50 for the reclamation of reservoirs associated with the company's discharge permits.

High Plains was notified in January and again in June of 2012 of the necessity to comply with these requirements. As of this writing, the Water Quality Division has not received payment for any of the outstanding invoices.

Currently, 16 of High Plains' permits for which fees are owed have passed the permit expiration date and have been administratively continued pending permit renewal. Unless payment is received by December 15, 2012, these permits will not be renewed. Upon termination of the permits, High Plains will be required to abandon and reclaim the associated reservoirs.

Another 8 permits are scheduled to expire on 12/31/2012. These permits shall also be allowed to expire without renewal unless payment of the delinquent fees and bonding increases is made in full prior to that date.



For the remaining 24 permits which have expiration dates after January 1, 2013, the Water Quality Division may consider early termination, revocation or suspension for non-payment of the required permit fees and bonding.

Attached to this letter is a list of High Plains' current permit numbers and status. It is important to note that the expiration of any of the affected permits does not relieve High Plains from the responsibility to pay any outstanding fees associated with those permits. Please contact me at (307) 777-7081 at your earliest convenience if you would like to discuss the matter or make arrangements for a final resolution to the issue.

Sincerely,

A handwritten signature in cursive script that reads "Bill DiRienzo".

Bill DiRienzo
WYPDES Program Manager
Water Quality Division

WJD/bb/12-1051

Enc: High Plains Permit Status

cc: Brandon Hargett, High Plains Gas, LLC
John Wagner, WQD Administrator
Jason Thomas, WQD
Jessica Wales, WQD

High Plains WYPDES Permit Status

WYPermitNumber	Permittee	FacilityName	PermitStatus	PermitIssue Date	PermitExpirationDate
WY0040045	High Plains Gas, LLC	POD #6 Innes Wells	Continued	2/1/2006	6/30/2007
WY0048496	High Plains Gas, LLC	N.P. Pumpkin Creek-Innes 2	Continued	2/1/2006	9/30/2007
WY0048500	High Plains Gas, LLC	M.P. Pumpkin Creek-Innes A-2	Continued	4/10/2006	9/30/2007
WY0048518	High Plains Gas, LLC	M.P. Pumpkin Creek-Innes B-2	Continued	7/1/2009	11/30/2008
WY0048224	High Plains Gas, LLC	Jamison Twenty Mile Option 2	Continued	5/9/2007	6/30/2009
WY0048216	High Plains Gas, LLC	Twenty Mile Creek-East Barker Draw Option 2	Continued	4/30/2007	12/31/2009
WY0053694	High Plains Gas, LLC	Incline UIC	Continued	12/28/2007	3/31/2010
WY0051021	High Plains Gas, LLC	North Beaver Creek-McBeth 16	Continued	9/24/2008	6/30/2010
WY0047210	High Plains Gas, LLC	Beaver Creek-McBeth 18 Option	Continued	12/28/2006	11/30/2010
WY0046787	High Plains Gas, LLC	Walsh-Malli Option 2	Continued	1/15/2007	12/31/2010
WY0047481	High Plains Gas, LLC	Hank Williams Federal Phase II (A)	Continued	7/30/2007	12/31/2010
WY0048461	High Plains Gas, LLC	Hay Creek B-5	Continued	8/12/2008	12/31/2010
WY0039055	High Plains Gas, LLC	LS Draw - LX Bar CBM Project	Continued	5/15/2008	6/30/2011
WY0047406	High Plains Gas, LLC	Wild Horse Project	Continued	7/11/2008	12/31/2011
WY0054429	High Plains Gas, LLC	Knudson 9 POD Option 2	Continued	3/6/2008	12/31/2011
WY0039632	High Plains Gas, LLC	Gibbon Draw CBM Wells	Continued	10/2/2007	12/31/2011
WY0050211	High Plains Gas, LLC	Fish Pond-Cates 35	In Effect (expires 12/31/2012)	5/8/2008	12/31/2012
WY0051012	High Plains Gas, LLC	Wild Horse Creek-Kingsbury Project	In Effect (expires 12/31/2012)	1/30/2009	12/31/2012
WY0052281	High Plains Gas, LLC	Hank Williams West Phase	In Effect (expires 12/31/2012)	11/17/2008	12/31/2012
WY0052361	High Plains Gas, LLC	Middle Prong Federal	In Effect (expires 12/31/2012)	12/31/2008	12/31/2012
WY0039519	High Plains Gas, LLC	Felix Field CBM Area	In Effect (expires 12/31/2012)	12/31/2008	12/31/2012
WY0039616	High Plains Gas, LLC	Railroad II-IV Projects	In Effect (expires 12/31/2012)	12/31/2008	12/31/2012
WY0039659	High Plains Gas, LLC	Fitch - Middle Prong Wild Horse Creek	In Effect (expires 12/31/2012)	11/17/2008	12/31/2012
WY0042102	High Plains Gas, LLC	Barker Draw NPDES CBM Project	In Effect (expires 12/31/2012)	12/31/2008	12/31/2012
WY0039934	High Plains Gas, LLC	Hank Williams Project CBM Wells	In Effect	4/2/2009	1/31/2013
WY0047422	High Plains Gas, LLC	Kuhn Ranch 2.11-North Cottonwood	In Effect	7/1/2009	6/30/2013
WY0047554	High Plains Gas, LLC	East Kuhn-Meadow Draw	In Effect	6/29/2009	6/30/2013
WY0038113	High Plains Gas, LLC	Stonepile CS State #1 CBM Wells	In Effect	4/7/2009	12/31/2013
WY0040797	High Plains Gas, LLC	Wild Horse Project PH III (B)	In Effect	12/31/2008	12/31/2013
WY0051543	High Plains Gas, LLC	Crazy Woman East Option 2	In Effect	5/6/2009	2/28/2014
WY0046485	High Plains Gas, LLC	Cates Draw Phase II	In Effect	7/20/2009	4/30/2014
WY0036501	High Plains Gas, LLC	North Burlington Lake Prospect CBM Wells	In Effect	6/29/2009	4/30/2014
WY0041823	High Plains Gas, LLC	Middle Prong Wild Horse Creek	In Effect	3/16/2010	8/31/2014
WY0042471	High Plains Gas, LLC	Groves Ranch CBM Project	In Effect	4/21/2010	12/31/2014
WY0048275	High Plains Gas, LLC	Kline Draw (A)	In Effect	4/26/2011	2/28/2015
WY0050156	High Plains Gas, LLC	Deer Creek-Cates 35 Option 2	In Effect	4/26/2011	6/30/2015
WY0047881	High Plains Gas, LLC	McBeth 8-Beaver Creek Option 2	In Effect	11/21/2011	11/30/2015
WY0047899	High Plains Gas, LLC	McBeth 8-North Beaver Creek Option 2	In Effect	11/21/2011	11/30/2015
WY0048178	High Plains Gas, LLC	Beaver Creek-Davis Option 2	In Effect	11/21/2011	11/30/2015
WY0048631	High Plains Gas, LLC	Beaver Creek-McBeth 18 Option 2	In Effect	11/21/2011	11/30/2015
WYR102875	High Plains Gas, LLC	Northern Fairway Field Permit	In Effect	5/9/2011	3/15/2016
WYR102876	High Plains Gas, LLC	Central Fairway Field Permit	In Effect	5/9/2011	3/15/2016

High Plains WYPDES Permit Status

WYPermitNumber	Permittee	FacilityName	PermitStatus	PermitIssue Date	PermitExpirationDate
WYR102877	High Plains Gas, LLC	Southern Fairway Field Permit	In Effect	5/9/2011	3/15/2016
WY0041858	High Plains Gas, LLC	House Creek CBM-S. Prong Wild Horse Creek	In Effect	2/3/2012	12/31/2016
WY0048593	High Plains Gas, LLC	Cates 35-Rossnecker Draw	In Effect	6/29/2012	2/28/2017
WY0051951	High Plains Gas, LLC	Knudson 9 Option 2	In Effect	6/29/2012	2/28/2017
WY0042056	High Plains Gas, LLC	OK Creek Drainage CBM Project	In Effect	6/29/2012	4/30/2017
WY0042064	High Plains Gas, LLC	Cottonwood Creek Project	In Effect	6/29/2012	4/30/2017
WY0040819	High Plains Gas, LLC	Hank Williams Project PH II (C)	Retired	3/8/2007	3/31/2010

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Wypdas BD
Greg Greenough
High Plains Gas, LLC
P.O. Box 1564
Gillette, WY 82717

COMPLETE THIS SECTION ON DELIVERY

(A) Signature

X [Signature]

- Agent
 Addressee

(B) Received by (Printed Name)

Deivce Bailey

(C) Date of Delivery

11-21-12

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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