

FILED

FEB 23 1979

Andale M. Kessler, Clerk
Environmental Quality Council

ENVIRONMENTAL QUALITY COUNCIL

HATHAWAY BUILDING

CHEYENNE, WYOMING

IN THE MATTER OF NOTICE OF)
ORDER ISSUED TO GULF ENERGY)
AND MINERALS COMPANY, P.O.)
2619, Casper, Wyoming 82602,)
now GULF MINERALS RESOURCES)
CO., a division of GULF OIL)
CORPORATION, Box 2459 or)
108 Rancho Road, Casper,)
Wyoming, 82602.)

Docket No. 437-78

STIPULATED DISMISSAL

Gulf Oil Corporation ("Gulf"), the Wyoming Department of Environmental Quality ("DEQ"), and the Wyoming Attorney General hereby stipulate as follows:

1. Gulf hereafter will conduct exploration drilling operations in Wyoming in strict compliance with all provisions of Wyo. Stat. Ann Section 35-11-404 (1977) [formerly Wy. Stat. Section 35-502-22.1], including without limitation the requirement that each drill site, including access roads or terrain damaged in gaining access to or clearing the site, shall be restored as nearly as possible to its original condition, including reseeding if grass or other crop was destroyed.

2. In order to assure and secure performance of Gulf's obligation as set forth in paragraph 1, above, Gulf agrees to post and keep posted a bond in the amount of TEN THOUSAND DOLLARS (\$10,000.00) in each of the four districts presently established by the Land Quality Division of the DEQ in which Gulf conducts exploration drilling operations.

3. After completion of reclamation of any exploration drill site, including access roads or terrain damaged in gaining access to or clearing the site, Gulf shall give notice to

the DEQ that such reclamation has been completed. Such notice may be given by notation thereof on the reports required to be filed by Wyo. Stat. Ann Section 35-11-404(e) (1977). Such information shall be treated as confidential pursuant to that statute. After receipt of such notice, the DEQ shall have one year (1) thereafter to make claim upon the bond posted pursuant to paragraph 2 of this Stipulated Dismissal or to initiate legal or administrative action with respect to any drill site, including access roads or terrain damaged in gaining access to or clearing the site, as to which such notice is given based upon the terms of this Stipulated Dismissal; provided, however, that this one year (1) time limitation shall not be construed as intending to limit any rights of enforcement action against Gulf (other than on the bond or on this Stipulated Dismissal itself) granted to the DEQ or Wyoming Attorney General by the statutory provisions of the Wyoming Environmental Quality Act.

4. In the event Gulf ceases to conduct exploration drilling operations in any district established by the Land Quality Division of the DEQ, Gulf shall complete reclamation of all drill sites, including access roads or terrain damaged in gaining access to or clearing the site, in such district and file the reports required by Wyo. Stat. Ann. Section 35-11-404, and by paragraph 3 of this Stipulated Dismissal, and shall also give notice to the DEQ of such termination of exploration drilling operations. After receipt of such notice, the DEQ shall make any demand it may have on the bond for the district in which operations are being terminated within the one (1) year period provided for each drill site, including access roads or terrain damaged in gaining access to or clearing the site, in paragraph 3 of this Stipulated Dismissal, and not later than one (1) year after receipt of such notice of termination if no claim has been made or if all claims made have been satisfied, the DEQ shall release such bond upon demand of Gulf.

5. The DEQ agrees to, and hereby does rescind the Compliance Order issued to Gulf on September 29, 1978, in this action, and the DEQ and the Wyoming Attorney General also agree that they will not institute further administrative action or seek civil or criminal penalties against Gulf on the alleged basis that the on-site inspection conducted July 18, 1978 of Sections 4 and 17, Township 40 North, Range 77 West, Natrona County, Wyoming, revealed that Gulf's uranium drilling operation was being conducted in alleged violation of the 1973 Wyoming Environmental Quality Act as amended, to wit:

Section 35-11-414 of the Wyoming Environmental Quality Act as amended requires companies engaging in mineral exploration by dozing to obtain a Special License to Explore by Dozing. Gulf has not applied for or received a Special License to Explore by Dozing to date.

6. Such dismissal shall be deemed to rescind the Compliance Order in this action which demanded:

That within thirty (30) days of the receipt of this Notice and Order, Gulf shall apply for a Special License to Explore by Dozing on the forms supplied by the Land Quality Division, Department of Environmental Quality, and submit the required reclamation bond.

7. So long as Gulf complies with the bonding provisions set forth in this Stipulated Dismissal the DEQ and the Attorney General shall not institute further administrative or legal proceedings or seek criminal or civil penalties based on the grounds that Gulf is required to obtain a Special License to Explore by Dozing pursuant to Wyo. Stat. 35-11-413 and 414 (1977) [formerly Wy. Stat. Sections 35-502.30 and .31] when Gulf is conducting exploration drilling operations and such incidental operations supportive thereof as using a bulldozer or other earthmoving equipment to: dig mud pits; gain access; perform other minor site preparation; or fill in such pits,

spread drill cuttings, overburden, or topsoil or otherwise restore the drill site as nearly as possible to its original condition.

8. Except as expressly provided herein, the parties do not intend that this Stipulated Dismissal be construed as waiving any rights of the DEQ or the Wyoming Attorney General to take any action otherwise permitted by law, rule or regulation, against Gulf for any conduct which violates any provisions of the Environmental Quality Act.

9. This Stipulated Dismissal shall not in any way be construed as waiving the previously stated positions of the DEQ or Gulf as to whether exploration drilling operations constitute "Exploration by Dozing."

WHEREFORE, the DEQ, the Wyoming Attorney General, and Gulf Oil Corporation, hereby move that:

This Stipulated Dismissal, and the provisions contained herein, entered into between Gulf Oil Corporation, the Department of Environmental Quality, and the Wyoming Attorney General be approved by the Environmental Quality Council.

That the Compliance Order issued to Gulf in this action be rescinded and that this proceeding before the Environmental Quality Council be dismissed.

GULF OIL CORPORATION

By:

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Date: January 3 1979



DEPARTMENT OF ENVIRONMENTAL
QUALITY through the
WYOMING ATTORNEY GENERAL

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Date: February 2, 1979