

FILED

MAR 27 2009

*Jim Ruby, Executive Secretary
Environmental Quality Council*

**BEFORE THE ENVIRONMENTAL QUALITY COUNCIL
OF THE STATE OF WYOMING**

IN THE MATTER OF THE APPEAL)
OF CLABAUGH RANCH, INC.)
FROM WYPDES PERMIT NO. WY0056588)

Docket No. 08-3809

**FINAL ORDER FOR MODIFICATIONS OF WYPDES PERMIT
NO. WY0056588 AND DISMISSAL OF PETITION FOR REVIEW**

This matter was brought before the Wyoming Department of Environmental Quality Council ("EQC") on Clabaugh Ranch Inc.'s ("Clabaugh") Petition for Review of the Wyoming Department of Environmental Quality ("DEQ"), Water Quality Division's issuance on October 7, 2008, of the renewal of WYPDES Permit No. WY0056588 authorizing Yates Petroleum Corporation ("Yates") to discharge water produced from its coal bed methane operations into tributaries of wild Horse Creek above the Clabaugh ranch. Clabaugh, Yates and the DEQ are the only parties in this contested case.

Chapter 1, Section 11(a) of the DEQ's Rules of Practice and Procedure provides for disposition of contested cases by stipulation of the parties upon approval of the Council. For purposes of this case, Wyo. Stat. Ann. § 35-11-112(c)(ii) (West 2008) authorizes the Council to order that a permit be modified, subject to applicable state and federal law.

The Council having considered the parties' Joint Stipulation, including Attachment "A" thereto, and statements made by the parties at the scheduling conference on January 27, 2009.

IT IS ORDERED that:

1. The parties' Joint Stipulation, including Attachment "A" thereto (Draft WY0056588 Modification, is hereby approved and is binding upon the parties, their successors and assigns;
2. The contested WYPDES Permit No. WY0056588 is hereby further modified and superseded as specifically set forth in Attachment "A";
3. Clabaugh's pending Petition for Review of the contested WYPDES Permit No. WY0056588 is hereby dismissed; and
4. Each party shall bear its own costs and attorney fees through the entry of this Order.

DATED this 24 day of March, 2009.


Dennis M. Boal, Chairman
Environmental Quality Council
122 West 25th, Room 1714
Herschler Building
Cheyenne, Wyoming 82002
PHONE: 307-777-7170
FAX: 307-777-6134

CERTIFICATE OF SERVICE

I, Kim Waring, certify that at Cheyenne, Wyoming, on the 27th of March, 2009, I served a copy of the foregoing **ORDER** by electronic mail to the following:

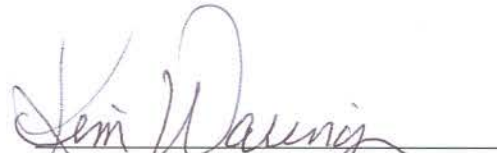
Matthew Joy
Jordan Bischoff & Hiser, P.L.C.
mjoy@jordenbischoff.com

Tom C. Toner
Yonkee & Toner, LLP
ttoner@yonkeetoner.com

John Burbridge
Office of Attorney General
Jburb1@state.wy.us

Candis Johnson
Office of Attorney General
cjohns1@state.wy.us

John Corra
Director, DEQ
jcorra@wyo.gov


Kim Waring, Executive Assistant
Environmental Quality Council
122 W. 25th, Rm. 1714
Herschler Bldg.
Cheyenne, WY 82002
Phone: 307-777-7170
FAX: 307-777-6134