

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

FILED

MAY 24 2005

In the Matter of the Patrick)	
Draw Gas Plant)	Amendment to
370 17 th Street, Suite 2500)	Administrative Order
Denver, Colorado 80202)	On Consent
TRC Companies, Incorporated)	Docket No. 3141-99
as Respondent)	

Terri A. Lorenzon, Director
Environmental Quality Council

AMENDMENT TO ADMINISTRATIVE ORDER ON CONSENT

BACKGROUND

Duke Energy Field Services, LP, the successor to Duke Energy Gathering and Processing, LP and Duke Energy Fuels Operating LLC, and a subsidiary of Duke Energy Field Services LLC (collectively "DEFS"), TRC Companies, Incorporated ("TRC"), as Respondent, and the Wyoming Department of Environmental Quality ("DEQ") entered into an Administrative Order on Consent ("AOC") for Voluntary Corrective Action at the Patrick Draw Natural Gas Processing Facility ("Facility") on September 1, 2000. The Facility is located approximately thirty (30) miles southwest of the City of Wamsutter in Sweetwater County, Wyoming. The AOC was approved and filed by the Environmental Quality Council on September 5, 2000. DEFS has sold the Facility to Mountain Gas Resources, Incorporated ("Mountain"), a subsidiary of Western Gas Resources, Incorporated. As a result, Mountain has replaced DEFS as the owner/operator of the Facility.

It is necessary to amend the Administrative Order on Consent to reflect the change in owner/operator of the Facility and to add Mountain as a party, and Mountain agrees to become a party to the amended AOC. DEFS will remain a party to the Order. The parties, DEQ, DEFS, TRC and Mountain, stipulate to amendment of the AOC as

specified below. Except as specified below, the provisions of the original AOC remain unchanged and in full force and effect as of September 1, 2000. The following provisions supplement or revise the corresponding provisions of the AOC are amended to reflect the change in owner/ operator of the Facility:

II. INTRODUCTION

A. **Add the following:** Mountain has replaced DEFS as the owner/operator of the Facility. DEFS no longer has any operational control over the Facility. As a party to this AOC, as amended, Mountain is bound by all of its terms, as of the effective date of this Amendment.

C. **Add the following:** DEFS has assigned its contract with Respondent TRC to Mountain. Following the assignment, DEFS no longer has a contractual relationship with the Respondent TRC related to the Facility and the terms of the AOC.

D. **Add the following:** The DEQ is not a party to the contract between the Respondent, TRC and Mountain, nor to the Purchase and Sale Agreement between Mountain and DEFS. DEQ believes Mountain and DEFS both are ultimately responsible for remediation of existing soil and ground water contamination. In the event that the Respondent does not comply with the terms of the AOC, as amended, and the Respondent TRC and DEQ cannot resolve the dispute as set forth in Section VI.B (Dispute Resolution), DEQ shall notify both Mountain and DEFS that they must assume full responsibility for implementation and compliance with the AOC, as amended. Nothing in this paragraph shall prevent DEFS and Mountain from allocation of liability

or indemnification between themselves under their Purchase and Sale Agreement, although any such contractual allocation shall not be binding on the DEQ.

H. **Revise as follows:** The Respondent TRC, Mountain, DEFS and the DEQ wish to enter into the AOC, as amended, to provide for further characterization and additional remediation of the Facility. The DEQ reserves the ability to take other actions if the Respondent TRC, Mountain and DEFS do not comply with the AOC, as amended. In addition, nothing in this AOC, as amended, shall preclude the DEQ from addressing other Facility conditions through separate orders, if necessary, or from invoking the authorities available to DEQ to enforce the terms of this AOC, as amended.

VI. OTHER PROVISIONS

A. **Reservation of Rights**

1. **Add the following:** Compliance with the AOC, as amended, does not relieve the Respondent TRC, Mountain or DEFS of any obligations under applicable State or Federal law, regulation or permit.

2. **Add the following:** By agreeing to this AOC, as amended, the Respondent TRC, Mountain and DEFS do not waive and specifically reserve their rights to contest on any grounds, any potential future orders or agreements.

C. **Access and Document Retention.**

Add the following: The Respondent and Mountain shall permit necessary Facility access to the DEQ, their contractors or any other person authorized by the DEQ, collectively "DEQ's Representatives". DEQ's Representative shall provide Respondent TRC and Mountain with reasonable advance notice of their need to access the Facility.

As owner/operator of the Facility, Mountain shall be responsible prospectively for fulfilling DEFS's obligations under Section VI.C. of the original AOC. DEFS shall be responsible for maintaining or transferring to Mountain all pre-existing records, reports, etc.

E. Indemnification

1. **Add the following:** The Respondent TRC and DEFS shall indemnify and save and hold harmless the State of Wyoming, their agencies, departments, agents and employees, from any and all claims or causes of action directly arising from acts or omissions of the Respondent TRC, and DEFS or their agents, independent contractors, receivers, trustees, successors and assignees to the degree of Respondents TRC's or DEFS's fault or strict liability in carrying out activities required by this AOC, as amended, that occurred prior to the effective date of the Amended AOC.

2. **Add the following:** The Respondent TRC and Mountain shall indemnify and save and hold harmless the State of Wyoming, their agencies, departments, agents and employees, from any and all claims or causes of action directly arising from acts or omissions of the Respondent TRC and Mountain or their agents, independent contractors, receivers, trustees, successors and assignees to the degree of Respondents TRC's or Mountain's fault or strict liability in carrying out activities required by this AOC, as amended, that occurred after the effective date of the Amended AOC.

G. Modification

Add the following: The Respondent, Mountain, DEFS or DEQ may request in writing, modification of this AOC, as amended.

J. Parties Bound

Add the following: No assignment or change in ownership or corporate or partnership status relating to the Facility or any part of the Facility will in any way alter the Respondent TRC's, Mountain's or DEFS's responsibility under the AOC, as amended. The Respondent TRC shall not enter into any assignment agreement or change of ownership that will interfere with the Respondent TRC's ability to access the Facility or comply with this AOC, as amended.

VII.EFFECTIVE AND TERMINATION DATES

The VCA Administrative Order on Consent became effective on September 1, 2000. This Amendment to the VCA Administrative Order on Consent shall become effective on the date it is fully executed. When the Respondent has satisfied all requirements in the VCA Administrative Order on Consent, the DEQ shall provide the Respondent TRC with written confirmation. If the actions taken as a result of this VCA Administrative Order on Consent do not adequately remediate site conditions, further action may be required under VI.A. and VI.F.

DUKE ENERGY FIELD SERVICES

By: BLL

Name: Brent L. Backes

Title: Vice President, General Counsel + Secretary

Date: 2/1/2005

RESPONDENT TRC COMPANIES INCORPORATED

By: MSL

Name: MICHAEL C. SALMON

Title: SR Vice President

Date: 02/02/05

MOUNTAIN GAS RESOURCES ^{FA}

By: JBJ

Name: J. Burton Jones

Title: VP

Date: 2.1.05

WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY

By: John V. Corra

Name: JOHN V. CORRA

Title: DIRECTOR

Date: 5/20/05

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