

FILED

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Ardelle M. Kissler, Clerk
Environmental Quality Council

ENVIRONMENTAL QUALITY COUNCIL

HATHAWAY BUILDING

CHEYENNE, WYOMING

Docket No. 373-78

| | | |
|---------------------------|---|----------------------------|
| IN THE MATTER OF |) | <u>S T I P U L A T E D</u> |
| THE APPLICATION OF |) | |
| ASHLAND EXPLORATION, INC. |) | <u>D I S M I S S A L</u> |

Ashland Exploration, Inc. ("Ashland"), the Wyoming Department of Environmental Quality ("DEQ"), and the Wyoming Attorney General hereby stipulate as follows:

1. Ashland hereafter will conduct exploration drilling operations in Wyoming in strict compliance with all provisions of Wyo. Stat. Ann. § 35-11-404 (1977) [formerly Wyo. Stat. § 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 Ashland's obligation as set forth in paragraph 1, above, Ashland agrees to post and keep posted a bond in the amount of \$10,000 in each of the four districts presently established by the Land Quality Division of the DEQ in which Ashland 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, Ashland 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. § 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 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 time limitation shall not be construed as intending to limit any rights of action against Ashland (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 Ashland ceases to conduct exploration drilling operations in any district established by the Land Quality Division of the DEQ, Ashland 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. § 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 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 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 Ashland.

5. So long as Ashland 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 Ashland is required to obtain a Special License to Explore by Dozing pursuant to Wyo. Stat. Ann. §§ 35-11-413 and 414 (1977) [formerly Wyo. Stat. §§ 35-502.30 and .31] when Ashland 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.

6. 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 Ashland, for any conduct which violates any provisions of the Environmental Quality Act.

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

WHEREFORE, The DEQ, the Wyoming Attorney General, and Ashland Exploration, Inc., hereby move that:

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

The Appeal and Petition for Hearing filed by Ashland in this action be withdrawn and all proceedings initiated

by such filing be dismissed by the Environmental Quality Council.

ASHLAND EXPLORATION, INC., by
and through their attorneys,

Dawson, Nagel, Sherman & Howard

By: *Rodney D. Knutson*
Christopher Lane
Rodney D. Knutson
James M. King

2900 First of Denver Plaza
633 Seventeenth Street
Denver, Colorado 80202
Telephone: (303) 893-2900

BROWN, DREW, APOSTOLOS, MASSEY
& SULLIVAN

Michael J. Sullivan
512 Petroleum Building
Casper, Wyoming 82601

Date: *July 31, 1978*

DEPARTMENT OF ENVIRONMENTAL QUALITY
through the
WYOMING ATTORNEY GENERAL

By: *E. Michael Weber*
Assistant Attorney General

Date: *August 4, 1978*

ORDER

The Environmental Quality Council being fully advised
in the premises,

IT IS HEREBY ORDERED:

That the Stipulated Dismissal, and the provisions contained therein, entered into between Ashland Exploration, Inc., the Department of Environmental Quality, and the Wyoming Attorney General be, and hereby are approved.

That the Appeal and Petition for Hearing filed by Ashland Exploration, Inc., Docket No. 373-78 be and hereby is dismissed.

That the proceedings before this Council be and hereby are dismissed.

Done this 8th day of August, 1978.

By The Environmental Quality Council

David Blane
Chairman