STATE OF COLO

John W. Hickenlooper, Governor Larry Wolk, MD, MSPH Executive Director and Chief Medical Officer

Dedicated to protecting and improving the health and environment of the people of Colorado

4300 Cherry Creek Dr. S. Denver, Colorado 80246-1530 Phone (303) 692-2000 Located in Glendale, Colorado

www.colorado.gov/cdphe

CDPS Number COG840001 George Kast, Pres/Owner Produced Water Solutions Inc PO Box 1280 Westminster, CO 80036



August 13, 2014

RE: COMPLIANCE ADVISORY – FAILURE TO SUBMIT DISCHARGE MONITORING REPORT LEEDS ENERGY, COG840001

Dear Sir or Madam:

Produced Water Solutions Inc is subject to the Colorado Discharge Permit System, Permit No. COG840001 (Permit). The Permit authorizes Produced Water Solutions Inc to discharge treated wastewater subject to the specific effluent limitations and other conditions of the Permit. 5 CCR 1002-61, §61.8, requires a permittee to comply with all the terms and conditions of the permit.

A review of the Colorado Department of Public Health and Environment, Water Quality Control Division (Division) records show that the Division has not received the Discharge Monitoring Report (DMR) or the DMR was submitted without any data, for the following monitoring periods:

Outfall No.	Monitoring Period Start Date	Monitoring Period End Date
001A	5/1/14	5/31/14

Failure to submit a complete DMR within the required timeframe constitutes a violation of the Permit.

To correct this violation, within fourteen (14) calendar days of the date of this letter, please submit the abovelisted missing or improperly completed DMR(s). You do not need to resubmit an entire set of DMRs, only the DMR(s) identified above. Along with the missing or improperly completed DMR(s), please include a written explanation describing the cause of the non-compliance and outlining the actions and measures that have been taken or will be taken to prevent ongoing violations.

Please submit the DMR(s), with a new original signature and date on each page, to the Division at the following address:

Colorado Department of Public Health and Environment Water Quality Control Division WOCD-CWE-B2

Attention: DMR Revisions 4300 Cherry Creek Drive South Denver, Colorado 80246-1530

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If you believe the Division has erred, please contact me to discuss or submit any information or documentation you would like the Division to consider in its review of this matter.

This Compliance Advisory is intended to advise you of alleged violations of the Colorado Water Quality Control Act, its implementing regulations and permits so that appropriate steps can be taken to avoid or mitigate formal enforcement action or to correct our records (if applicable). This Compliance Advisory does not constitute a Notice of Violation or Cease and Desist Order and is not subject to appeal. The issuance of this Compliance Advisory does not limit or preclude the Division from pursuing its enforcement options concerning the above violation(s). The Division will evaluate the facts associated with the above-described violation(s) and if a formal enforcement action is deemed necessary, you may be issued a Notice of Violation / Cease and Desist Order that may include the assessment of penalties.

If you have any questions regarding this matter, please contact me at 303-692-6498 or andrea.beebout@state.co.us You can also review the DMR Guidance located on our website at www.colorado.gov/cdphe/wq-enforcement-actions for further assistance.

Regards,

Andrea Beebout Enforcement Specialist Clean Water Enforcement Water Quality Control Division

ec: MS-3 Electronic File