

DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

NOTICE OF VIOLATION

IN THE MATTER OF THE NOTICE OF)
VIOLATION ISSUED TO)
WildHorse Energy, Inc.)
P.O. Box 1118)
Casper, Wyoming 82601)
RE: Drilling Notification 366DN)

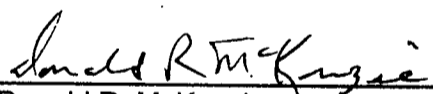
DOCKET NO. 4287-08

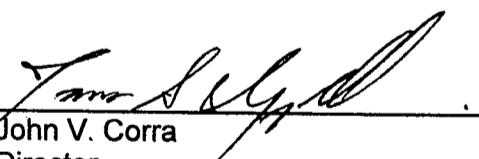
NOTICE

NOTICE IS HEREBY GIVEN THAT:

1. Notice of Violation is being sent to you pursuant to W.S. §35-11-701(c)(i) which requires that a written notice shall be issued in the case of failure to correct or remedy an alleged violation.
2. On May 19, 2008 an inspection of Drilling Notification 366DN was conducted by Brian R. Wood and Melissa Bautz of the Wyoming Department of Environmental Quality - Land Quality Division, District II office. That inspection was summarized in a report dated June 6, 2008. The permit area encompasses lands within Township 27N, Range 97W, Section 25 and Township 27N, Range 96W, Section 30. Specific to this violation, the lands in question are located in Township 27N, Range 97W, Section 25.
3. The May 2008 Inspection revealed that a failed monitoring well completion, from which the casing had been removed, was not abandoned according to the requirements W.S. § 35-11-404(h). Furthermore, seven wells were discovered to have open annuluses that ranged in depth from six to 62 feet. This is a violation of W.S. § 35-11-415(a) and W.S. § 35-11-415(b)(viii).
4. W.S. § 35-11-901(a) provides that any person who violates any provision of the Environmental Quality Act or any rule, standard, permit, license or variance adopted there under is liable to a penalty of ten thousand dollars (\$10,000.00) for each day of violation, which penalty may be recovered in a civil action brought by the Attorney General in the name of the People of the State of Wyoming.

DATED THIS 10 day of June, 2008.


Donald R. McKenzie
Administrator
Land Quality Division


John V. Corra
Director
Department of Environmental Quality

PLEASE DIRECT ALL INQUIRIES regarding this Notice of Violation to Mark Moxley, Land Quality District 2 Supervisor, 510 Meadowview Dr., Lander, Wyoming 82520, telephone (307) 332-3047.

C: June 6, 2008 Inspection Report