BEFORE THE ENVIRONMENTAL QUALITY COUNCIL STATE OF WYOMING

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Terri A. Lorenzon, Director Environmental Quality Council

IN THE MATTER OF THE APPEAL OF WILLIAM P. MAYCOCK FROM WYPDES PERMIT NO. WY0053899

Docket No. 06-3810

DEVON ENERGY PRODUCTION COMPANY, L.P.'S RESPONSE TO WILLIAM P. MAYCOCK'S PETITION

COMES NOW, Devon Energy Production Company, L.P., (hereinafter "Devon") by and through its undersigned counsel and pursuant to the ORDER of the Environmental Quality Council ("EQC") dated September 1, 2006, hereby submits its response to the PETITION filed by William P. Maycock ("Maycock") on May 3, 2006 ("Petition"). Devon is the permittee of WYPDES Permit No. WY0053899 ("Permit"), which is the subject of the Petition.

I. ANSWER TO ALLEGATIONS IN THE APPEAL

1. To the extent of Devon's information and belief, Devon admits the allegations contained in Paragraph 1 of the Petition.

- 2. Devon admits the allegations contained in Paragraph 2 of the Petition.
- 3. <u>Statement of Facts</u>.

a. To the extent of Devon's information and belief, Devon admits the allegations contained in Paragraph 3a of the Petition.

b. Devon admits the allegations contained in Paragraph 3b of the Petition.

c. In answer to Paragraph 3c of the Petition, Devon states that the Permit speaks for itself. Insofar as Paragraph 3c is found to contain any factual allegations, Devon denies the same.

d. In answer to Paragraph 3d of the Petition, Devon admits that on-channel reservoirs are located upstream from the Maycock Ranch and affirmatively states that any water discharged from on-channel reservoirs will be discharged into a watercourse. Devon denies the remaining allegations contained in Paragraph 3d of the Petition.

e. Devon denies that Paragraph 3e of the Petition is a fair and accurate summary of the Permit. Devon denies the remaining allegations contained in Paragraph 3e of the Petition.

f. Devon denies the allegations contained in Paragraph 3f of the Petition.

g. Devon denies the allegations contained in Paragraph 3g of the Petition.

h. To the extent of Devon's information and belief, Devon admits the allegations contained in Paragraph 3h of the Petition.

i. Devon denies the allegations contained in Paragraph 3i of the Petition.

j. Devon denies the allegations contained in Paragraph 3j of the Petition.

k. Devon denies the allegations contained in Paragraph 3k of the Petition.

1. Devon denies the allegations contained in Paragraph 31 of the Petition.

m. Devon denies the allegations contained in Paragraph 3m of the Petition.

n. Devon denies the allegations contained in Paragraph 3n of the Petition.

o. Devon denies the allegations contained in Paragraph 30 of the Petition.

p. Devon denies the allegations contained in Paragraph 3p of the Petition.

q. Devon denies the allegations contained in Paragraph 3q of the Petition.

r. Devon denies the allegations contained in Paragraph 3r of the Petition.

s. In answer to Paragraph 3s of the Petition, to the extent the allegations refer to the terms of the Permit, Devon states that the Permit speaks for itself. To the extent Paragraph 3s calls for a legal conclusion, it requires no response. Devon denies the remaining allegations contained in Paragraph 3s of the Petition.

t. In answer to Paragraph 3t of the Petition, Devon states that the Permit and the Surface and Damage Agreement speak for themselves. Devon admits that Maycock has not given written consent to Devon for disposing of water produced from wells located on lands owned by third parties. Devon affirmatively states that it has not violated the Surface and Damage Agreement and the Permit does not interfere with Devon's ability to perform under that agreement. Devon further asserts that neither the EQC nor the DEQ has the authority or jurisdiction to decide issues related to the Surface and Damage Agreement. Insofar as Paragraph 3t is found to contain any other allegations, Devon denies the same.

u. In answer to Paragraph 3u of the Petition, Devon states that the Permit and Statement of Basis each speak for themselves. To the extent Paragraph 3u calls for a legal conclusion, it requires no response. Devon denies that Paragraph 3u of the Petition is a fair and accurate summary of the Permit therefore Devon denies any remaining allegations contained in Paragraph 3u of the Petition.

- v. Devon denies the allegations contained in Paragraph 3v of the Petition.
- w. Devon denies the allegations contained in Paragraph 3w of the Petition.
- x. Devon denies the allegations contained in Paragraph 3x of the Petition.

y. In answer to Paragraph 3y of the Petition, Devon states that the materials accompanying its application for the Permit, the letter dated December 1, 2000, from EPA to the DEQ, and the Statement of Basis for the Permit speak for themselves. Devon denies that Paragraph 3y of the Petition is a fair and accurate summary of the Permit. Insofar as Paragraph 3y is found to contain any other allegations, Devon denies the same.

4. In answer to Paragraph 4, Devon admits Maycock has requested a hearing through the Petition. Devon denies that Maycock is entitled to the remaining relief requested in Paragraph 4 of the Petition.

II. GENERAL DENIAL

To the extent the Petition raises any allegations beyond those specifically denied above, Devon denies all such allegations and reserves the right to fully address all allegations at appropriate stages of these proceedings.

III. RESERVATION OF RIGHT TO SUPPLEMENT

Devon does not attempt here to exhaustively present its position to each issue raised by the Petition; such an effort will be made throughout appeal and during the dispositive motion stage of these proceedings or at the hearing on the Petition. Devon reserves the right to supplement this response, or to clarify its position with respect to the issues, following discovery, or at any time prior to the hearing of this matter.

WHEREFORE, Devon respectfully requests that the EQC deny the relief requested by Maycock in his petition.

RESPECTFULLY SUBMITTED this <u>19</u> day of September, 2006.

DEVON ENERGY PRODUCTION COMPANY, LP

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Attorneys for Devon Energy Production Company, LP

CERTIFICATE OF SERVICE

The undersigned certifies that the above and foregoing instrument was served upon the following by depositing a true copy thereof in the United States mail, postage prepaid, this 19/2 day of September, 2006, and addressed to:

Mike Barrash Sr. Assistant Attorney General Wyoming Attorney General's Office 123 Capitol Building Cheyenne, WY 82002

John Wagner, Administrator Water Quality Division Department of Environmental Quality Herschler Building, 4th Floor West 122 West 25th Street Cheyenne, WY 82002

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