

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

In the Matter of the Appeal of Clabaugh)
Ranch, Inc. Regarding Permit) Docket Nos. 09-3803 and 09-3804
WY0039519 and WY0039616) (consolidated Docket No. 09-3803)
)
)
)

FINAL ORDER FOR MODIFICATION OF WYPDES PERMIT NO. WY0039519

This matter was brought before the Wyoming Environmental Quality Council (Council) on Clabaugh Ranch Inc.'s (Clabaugh) Petition for review of the Wyoming Department of Environmental Quality (DEQ) renewal of WYPDES Permit Nos. WY0039616 and WY0039519 issued to Pennaco Energy, Inc. (Pennaco) on or about December 31, 2008.

Chapter 1, Section 11(a) of the DEQ Rules of Practice and Procedure provides for disposition of contested cases by stipulation of the parties upon approval of the Council. W.S. § 35-11-112(c)(ii) authorizes the Council to order that a permit be modified.

The Council, having considered the Parties' Joint Stipulation, and any statements made by the Parties at a hearing on this Joint Stipulation,

FINDS AND ORDERS that:

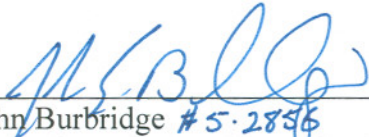
1. The Parties' Joint Stipulation, including the agreed administrative modifications detailed in the Joint Stipulation, are hereby approved and are binding upon the Parties, their successors and assigns;
2. The contested December 31, 2008 renewals of WY0039519 and WY0039616 are now modified as specifically set forth in the Joint Stipulation;
3. Clabaugh's pending Petitions for review of the December 31, 2008 renewal of WYPDES Permit Nos. WY0039616 and WY0039519 are dismissed with prejudice; and

4. Each party shall bear its own costs and attorney fees through the entry of this Order.

Dated this ____ day of _____, 2009.

Presiding Officer
Environmental Quality Council

APPROVED AS TO FORM.




John Burbridge #5-2856
Wyoming Attorney General's Office
123 Capitol Building
Cheyenne, WY 82002
jburbl@state.wy.us

ATTORNEYS FOR WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY



Tom C. Toner
Yonkee & Toner, LLC
319 W. Dow St.
P. O. Box 6288
Sheridan, WY 82801-1688
Telephone: (307) 674-7451
Facsimile: (307) 672-6250
ttoner@yonkeetoner.com
ATTORNEYS FOR CLABAUGH RANCH, INC.



Mark R. Ruppert, P.C., Bar No. 6-3593
Matt J. Kelly, Bar No. 6-4278
HOLLAND & HART LLP
P. O. Box 1347
Cheyenne, WY 82003-1347
Telephone: (307) 778-4200
Facsimile: (307) 778-8175
ATTORNEYS FOR PENNACO ENERGY, INC.