

Powder River Basin Interagency Working Group Meeting  
February 18, 2004  
Billings, Montana

9:00 - 9:15 Welcome and Introductions

9:15 - 10:30 Agency Round-Robin of Information Sharing

10:30 - 10:40 Break

10:40 - 11:30 Air Task Group Report

LUNCH

12:30 - 1:30 Wildlife Task Group Report

1:30 - 2:00 Water Task Group Report

2:00 - 2:10 Break

2:10 - 2:30 Aquatics Task Group Report

2:30 - 3:00 Wrap Up

MT DEQ  
Wastewater Permits  
Powder River Gas and Fidelity  
February 18, 2004

The meeting began with the Agency Round-Robin. Members of the audience also gave their name and who they were representing. It was explained to the audience that they may listen, but not participate in the meeting.

**AGENCY ROUND ROBIN**

**Dan Walsh, MT DEQ** - Working on wastewater permits and on the Powder River Gas and Fidelity proposals.

**Steve Welch, MT DEQ**

- 1) The state adopted numeric standards for the Tongue, Powder, Little Powder Rivers and the tributaries.
- 2) Hanging Woman Creek management process.
- 3) With EPA working on computer model for the TMDL process. It may go live in May. Pete Schade is the contact at (406) 444-6771.

**John Kilpatrick, USGS** - Received \$900K from Senator Burns' office to do the water quality monitoring network in the Tongue River watershed. Looking at 11 sites (will have a web page up hopefully in a month). Fact sheet out in the next month. All data for the Tongue River is being collected for a report (out in a few months). Twice a month, they are sampling water quality at all 11 sites. Will document on channel morphology in several sites on the Tongue River mainstream. Will continue water quality monitoring in the Rosebud and Powder River drainage basin. USGS spending over a million dollars on Montana watersheds this year. USGS in Wyoming has new program: \$300K/year interdisciplinary research related to CBM. We'll shoot new imagery and do comparison and assess changes to landscapes from CBM development. Looking at invasive species in Wy - look at different levels of disturbance. Doing soil salinity sampling to compare to geology at Burger Draw - natural vs. artificial recharge from impoundment. Skewed Reservoir water - fate of CBM water. Look at changes in water quality as it moves down in the saturated zone and outward. Wyoming has a webpage up to describe some of this. (Need links for Clearinghouse website).

**Joe Delwiche, EPA** - Carol Campbell with EPA - Consolidated funding process. Multiple proposals from various states including the number of CBM monitoring proposals. States review the list before they are funded. Involved in western governor's BMP manual. Final draft circulation. Presented to the western governor's association - EPA helpful in funding. Best professional judgment process will close soon. Draft out in May with a potential hearing/meeting in June and the final out in September. Northern Cheyenne water quality standards and treatment as state - that public comment ended February 9<sup>th</sup>. Model December 2004. Monitoring needed for Belle Fourche, etc. Northern Cheyenne 160/40?? (air issue for Northern Cheyenne (visible/SO<sub>2</sub>) concern with ? prior to the plant being built next to the reservation. The Final is being circulating for signature.

**Joe Platz, BLM MCFO** - Part of the Aquatics Task Group. We are meeting tomorrow.

**Robert Mitchell, BLM MCFO** – Part of the Air Task Group.

**John Ford, DOE** – Solicitation on web for streamlining process regarding regulatory requirements. Produced water from CBM, natural gas and oil production - looking for beneficial use, treatment. Have several projects – 6 on a cd. He'll send out as they are requested: CBM, BMPs; beneficial use alternatives; multi seam well completion technology; regulation issues. Current projects – beneficial use of produced water/water treatment with MSU. MBOGC/ALL – water infiltration from impoundments. Fly over to determine reservoirs and aquifers close to the surface. Impoundment study. Beneficial use of San Juan produced water. Water types of CBM in the San Juan, how to aggregate for use with CBM water for coal generators. CBM exploration/production general mitigation measures and handbook in environmental resources in significant CBM basins, arranged by geologic basin.

**Richard Zander, BLM-WY** – Started permitting in mid July last year. FY 2003, 266 APDs, with 22 PODs approved. 2004 – 453 APDs in \_\_ PODs approved so far. Have new process (46 day timeframe) for turning around APDs. We're going to take heat if stuff doesn't get done in a timely manner. WO has asked that Buffalo approve 3000 APDs this year. There are 1175 APDs pending. Paul pointed out maps on walls. The Buffalo FO asked industry what they'd like to work on in 2004. The maps show the sections they'll be operating in. Another map shows borders of the PODs that are already issued. Asked industry last October for the information because of upcoming wildlife inventories. Gave them heads-up on inventories that they would have to complete. EIS BO required additional work. 1500 APDs didn't meet the EIS guidelines. Trying to get ahead of the curve. Have several PODs that have been appealed by Powder River Basin Resource Council. COE sued by the Wyoming Outdoor Resource Council on gp 98 permit in WY. Dredge and fill materials in waters of the U.S. Build reservoir, puts fill in water, permit kicks in. Sued, preliminary injunction requested. Hearing at the end of January. WOC and Earth Justice have to prove immediate harm, impacts, and ?. Judge ruled last Friday denying the preliminary injunction.

**Paul Beels, BLM-WY** – Doing a coal cumulative impacts study. ENSR has the contract. 3 tasks: Update '99 Powder River Basin affected by development, noncoal development, and modeling. Look at coal resource and what future development may occur and look at cumulative on coal operations. To be completed by December 2005. Kick off right now. Lawsuit on EISs after ROD – MT judge ruled in January to reserve decision on 1 EIS (vs. 2) but all other transferred to WY (venue change). Asked that WY not take any action until the "one EIS" decision is made by the District 9 judge. Probably occur sometime in March at the earliest.

**Dave McIlroy, BLM-MT** – Received a POD from Fidelity in June for 85 federal wells. Processed APDs in August. 4 SDRs were filed. EA was remanded by the State Director. Last Monday the remanded EA was reissued, approving development. 72 private wells were also approved by the state in that application. We also have an exploratory proposal – Powder River Gas will treat the water and then discharge it. Potential violation for fluoride, so no discharge permit yet. Also working on 14 exploratory wells. Hanging Woman watershed right now has no proposed development. 3-4 major landowners and 2-3 lease holders in the area. Coordination committee is working on implementation plan for the area. There have been 3 meetings so far and they have formed working groups to come up with development proposals. Also used as an education process: for example, water permitting. Industry, landowners, mineral owners are working on a collaborative process. CBM fairs – MC CBM education fair - bring experts from all sides of the issues. 4-5 hour presentations in 1 day. May ask for experts from your organizations.

**Randy Nordsven, BLM-MT** – 2 applications are coming in from Fidelity.

**Leo Carter, USDA Forest Service** – Thunderbasin National Grassland. Trying to shorten NEPA.

**Joe Reddick, USDA Forest Service** – Coordinating NEPA with BLM. 3% is Forest Service in the Powder River Basin. In an area of designated coal conflict. Cumulative issues include wildlife, water, air, threatened and endangered animals, sensitive plants, and west nile. The Big Porcupine project (201 wells on FS 246 total) probably will be litigated. Thunderhead EA will be out for public comment in early March.

**Lou Hannebury, FWS** – The Wildlife task group met (WY segment in Buffalo). Threatened and endangered species process ironed out. Section 7 will be done programmatically. A lot of work has been done up front. WMPP in MT and draft in WY. Expedited consultation process. 3 formal consultations in MT so far. 115 wells (including private). Raptor monitoring, sage grouse, is ongoing. BLM has several projects, prairie dogs, etc. 1<sup>st</sup> of March the BIA, FWS, Northern Cheyenne Tribe will be meeting in Forsyth.

**Don Sasse, USFS CNF** – Custer National Forest doesn't have a leasing document. Start? Continue to work on data collection and GIS to prepare for a leasing analysis. Prairie dogs, raptors, vegetation mapping, (working with BLM) and sage grouse. There is a survey planned for this spring. Trying to finish the Sioux oil and gas leasing EIS (South Dakota).

**John Wagner, WY DEQ** – Eight new positions in groundwater. Attempting watershed based permitting. Strengthening and streamlining (will take a fair amount of time) in Governor's office. But may be able to start watershed permitting in his office within the next 6 weeks (pilot project). Right now piecemealing the permits so would like to try a focused effort.

**Andy Bobst, BLM-MCFO** – Water task group held a meeting (see later in notes).

**Bobbi Lorengo, DNRC** – Trust land division. Completed EA for Fidelity and submitted to the Board yesterday. It's for CX Field expansion and within the field.

**Mary Bloom, BLM-MCFO** – Would add that BLM and the State are doing a joint EA for the Powder River Gas Coal Creek proposal.

**Terry Beartusk, NCT** – I'm with the Northern Cheyenne Tribe.

**Bob McDowell, WY Game and Fish** – I'm with the Aquatics Task force. Looking at a fish inventory in the Powder River drainage.

**Dave Zafft, WY Game and Fish** – Inventorying amphibians in the Powder River Basin.

**Kathy Hinkle** – I'm with the Devon Energy Corporation.

**Leona Waldhausen** – I'm with the NPRC.

**Cara Casten, WY DEQ** – I'm a member of the Air task group. Visibility website – Campbell County – get realtime data on NO2 and ozone. Study COE – develop similar permits in MT? See how WY plays out.

**Terry Brown, Western Research Institute** – Did report on research in WY.

**Jim States, DOE - Rocky Mountain Oilfield Testing** – Doing a study operated with the CBM Coalition (Mickey). Working on potential for exceedence of air quality regarding particulates and regional haze. Talking with interest groups in WY. Wants to extend into MT. Need mitigation for unpaved road dust. Development proposal – minimize dust.

**John Barnes - WY Engineers Office** – 2,200 reservoir applications since 1999. The majority are existing but unpermitted. Combined database with DEQ to hot link the databases. Money coming to get automated (people will be able to do electronic submittals). With DEQ – coordinating a map on water issues. Permits for stock/normal reservoirs issued so far. Shift as move west that landowners don't want reservoirs. Recognize CBM storage as beneficial use in operations. 15 year life and breach/reclamation at the end – proposed policy on website. Looking at adopting the 1<sup>st</sup> of April.

**Rick Huber, WY Game and Fish** – No new updates.

**Mike McKinley, WY BLM** – Water task group meeting. Talked about main issues –

- 1) Water to state vs. water to U.S.
- 2) Bonding of reservoirs-no bonding authority (Zander – do on federal but question on how it is applied).
- 3) Liabilities with produced water.
- 4) Federal liabilities in impoundments?
- 5) Springs/wells, talking with engineers office on what happens.
- 6) Unpermitted/leaking pits.
- 7) Database (see John's).

Different agencies have different mandates. Trying to find new technology and treatment strategies.

**Norma Bixby, EQC Representative** – Heard about the meeting. Everyone is going in different directions. Can't put a finger on one source. I like WY's central data. MT needs this also. Need the Legislature to protect the environment, landowners and what's best for MT. See what we can learn from WY. I'm a landowner on Rosebud Creek and a member of Northern Cheyenne Tribe – want to protect our water and resources.

**Rick Stefanic, BIA** – Participating with the Northern Cheyenne Tribe to discuss adequate cultural resources consultation on project south of the reservation. Also, there's a rumor that Barrett and the Crow Tribe have reached a settlement.

**Gene Onacko, BIA** – Nothing new to add.

**John Keck, NPS** – Nothing new to add.

**Chun Wong, BLM MTSO** – Nothing new to add.

**Kyrik Romboug and Sara Speck, SDDENR** – Surface water – discharge permits. Water quality monitoring station on Belle Fourche.

<Group took a break>

Paul did loose ends. IWG web page is up it's on the BLM WY Buffalo FO page.

Mickey noted broken air email links. She got a virus after using the email addresses. Powder River Basin Interagency Working Group – meeting minutes/schedules being posted there. Task group minutes/meeting schedules – group members want to use the web to post schedule for meetings? (Some nods of approval). Need to add Leo Carter to the air task group email. Decision not to out task group meeting schedule on web page.

### **Air Task Group Report**

**Cara Casten, WY DEQ** – Went through each of the tasks in their charter ([see attached sheets](#)).

**Joe Delwiche, EPA** – Names of the members. Dave Klemp-DEQ, Robert Mitchell-MT BLM, Cara Casten-WY DEQ, and Susan Caplan-WY BLM. No tribal members are in the group, waiting to see if Jay Littlewolf could participate. The working group was formed last summer. Lots of email. Talked about work plan and there's a tentative meeting planned for May/June.

Work plan issues:

- 1) Task A1 – make data available to users. Don't let data go into a hole. Make available to the public.
- 2) Timetable is a separate attachment so can be easily changed.
- 3) Agreed on a definition of monitoring. Ambient air monitoring. BLM is using monitoring to assess effectiveness of mitigation. Could be a lot more than ambient air. All other tasks refer to monitoring in a broader sense.

Task A1 – members have the task to assess monitoring data. Received the proposal from Jim States on fugitive dust and assess what's going on. Ex: chemical additives could be water quality concerns. Made presentation to WY state and special interest groups. Joe is going to have Jim make a presentation to the Air Task Group. Also need to keep an eye on ozone.

Products – minutes from the last meeting.

Is more ambient air monitoring needed?

**Dave McIlroy, BLM-MT** – Efforts to involve Northern Cheyenne? The group hasn't done outreach (need to send letter to the President). Question was asked if the group feels good about meeting their goals. Joe said if they stay focused on the Powder River Basin it's doable.

**Terry Brown, Western Research Institute** – Western Resources Project 1) Fate and transport of produced water, 2) Gas leakage, 3) Well completion.

### **Steps**

What was already being done. Don't reinvent the wheel. Have a group of researchers. Mission – develop information (ground and surface water land application) not only treatment of water but what's happening with it. Unbiased research, Terry is the project manager.

### **Water Task Group Report**

**Mike McKinley and Andy Bobst** – Charter Tasks update.

- 1) Develop a surface water monitoring plan.
- 2) Develop an integrated water management plan for aquifers effected.

- 3) Prepare ongoing list of studies to be conducted.
- 4) Additional recommendations
- 5) Forum for discussion of issues: TMDLs (Tongue and Powder rivers)

First task - agreed to address regional and site-specific separately. Separate monitoring plan for each major perennial stream. Do plan for Tongue River watershed first as USGS has information and development is occurring in both states.

Andy then did his presentation ([see attached](#)).

### **Wildlife Task Group Report**

**Lou Hannebury** - Group meeting in Buffalo today. Tom – heading up Wyoming. Tom has a draft WMPP. Game and Fish, FS and Tom. Idea is to coordinate with Montana to mold into one plan.

Montana is going to do a powerline study. By the end of March, we will have a [work plan](#) with deadlines.

### **Aquatics Task Group Report**

**Bob McDowell** – Need to prioritize tasks. Joe has lead on efforts. Gathering references to see what's been done and ongoing. Overlap with water hydro team so they will participate in each others meetings. Group will prioritize and then circulate to IWGs. Will have a work plan by the end of March.

### **Wrap up**

**Paul emphasized the need for the Task Groups to have their monitoring reports done by the early June so they could be circulated to the IWG for review prior to the June meeting for approval.**

Need to check with MT FWP to see if they are having funding problems regarding attending the IWG meetings.

For next meetings, suggestion made to have a field trip to look at development. Possibly Gillette.

The next IWG meeting is scheduled for sometime in the week of June 14<sup>th</sup>. Some members would like a prairie dog tour in a CBM area.