

- Charter -
Powder River Basin
Coal Bed Natural Gas Interagency Working Group

January 2004

Introduction

The Powder River Basin (PRB) contains millions of acres of public land in northeastern Wyoming and southeastern Montana. The Basin holds an extensive natural gas resource associated with the regional coal deposits (Figure 1). Development of coal bed natural gas (CBNG) on federal lands requires a lease issued from the Bureau of Land Management (BLM) and approval of an application for permit to drill along with associated permits, approvals or reviews from the Montana Department of Environmental Quality or the Wyoming Department of Environmental Quality, and from other State and Federal agencies.

The PRB Interagency Working Group (PRB IWG) was established as the forum for government agencies to address, discuss, and find solutions to issues of common concern to all parties involved in permitting and monitoring of CBNG development. Additionally, attention will be given to those issues that may result in cross border affects requiring close coordination among the State and Federal agencies in Montana and Wyoming, and with Tribal governments. Through this cooperative management effort each agency will achieve greater operational efficiency, enhance resource protection, and better serve the public.

Vision Statement

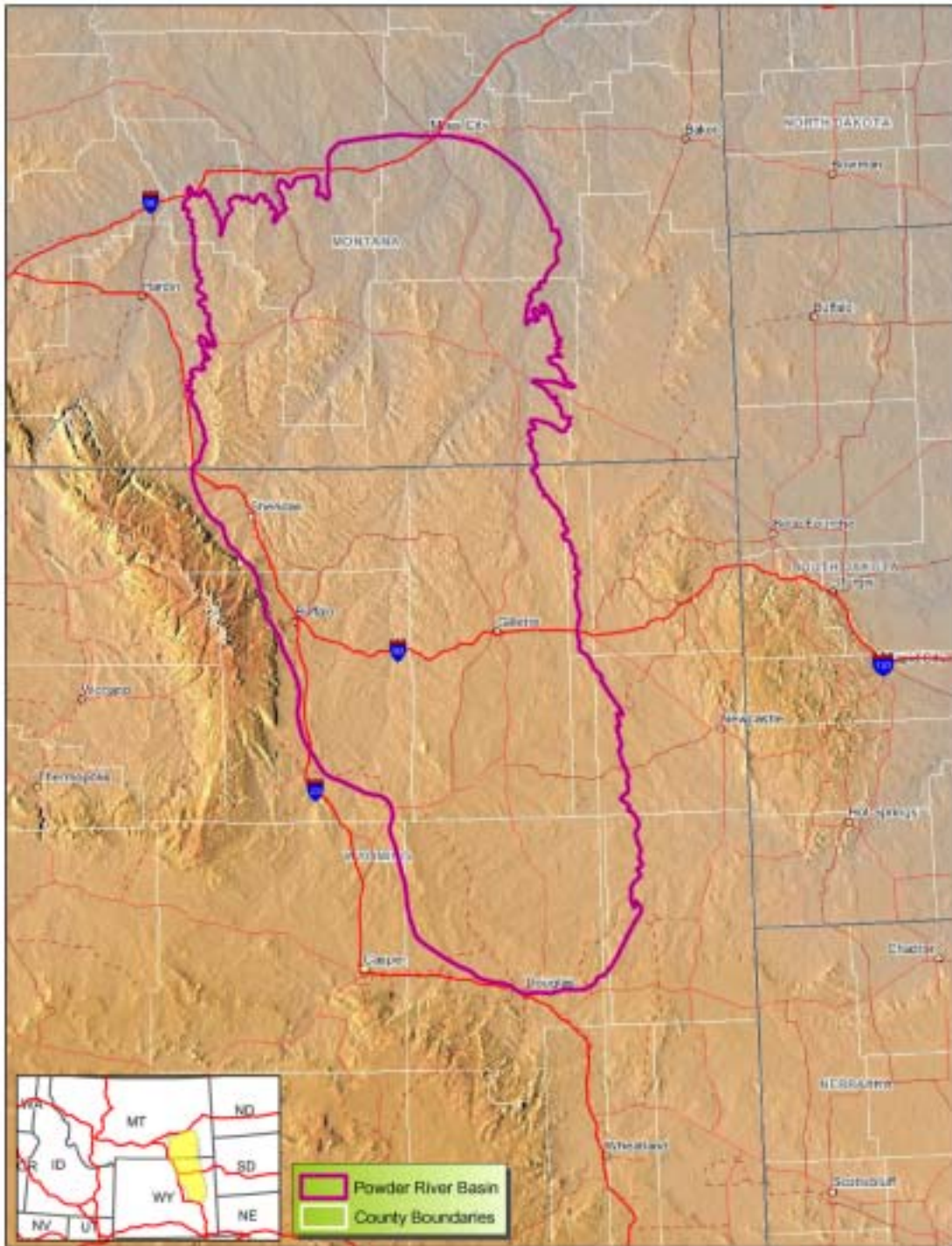
To work together to protect the air, water, land, fish, wildlife, plants, and cultural resources in the PRB for current and future generations while providing for natural gas development to address the nation's energy needs.

Mission Statement

The overall mission of the PRB Interagency Working Group is to:

- Provide for environmentally sound energy development.
- Develop coordinated and complementary best management practices, guidelines, and programs related to CBNG activities to conserve and protect resources.
- Monitor the impact of CBNG activities and assess the effectiveness of mitigating measures.
- Develop and integrate the databases and scientific studies needed for effective resource management and planning.
- Promote compatibility in the application of each agency's mission.

Figure 1 – Powder River Basin Regional Map.



Governing Principles for the PRB Interagency Working Group

The PRB IWG is composed of the Interagency Coordinating Committee (ICC), geographically based interagency Working Groups and issue-specific Task Groups (Figure 2). The PRB IWG will operate under the following principles:

- Participation in the PRB IWG does not diminish any member agency's autonomy or authority to conduct or accomplish their mission.
- Agencies participating in the PRB IWG will work to create opportunities and develop partnerships to effectively and efficiently manage resources within the PRB.
- Participating agencies recognize the diverse uses on public lands in the PRB and their responsibility to the American people for being good stewards of the resources in the PRB.
- Participants in the PRB IWG agree to seek to make decisions by consensus. Consensus for the PRB IWG is defined to mean a proposed solution or decision that participants can support or live with, even if they are not in full agreement with the action. In cases where consensus cannot be achieved, the action or position may be elevated to the next level in the PRB IWG structure for consideration (Figure 2).
- PRB IWG activities will be consistent with and/or designed to implement agency resource management plans (i.e., BLM Resource Management Plans, National Park Service General Management Plans, Forest Service Forest Plans and State agency requirements) and to address tribal trust responsibilities.
- The PRB IWG will provide appropriate opportunities for public involvement at the various working levels and disseminate information on its activities. Meetings are open to observation by the public.

Geographic Scope

The geographic scope of the PRB IWG is generally the Powder River Basin ecoregion. The PRB IWG will coordinate its activities with affected/interested parties throughout the Powder River Basin and surrounding areas to provide a consistent ecosystem approach. The Montana Working Group (MWG) and the Wyoming Working Group (WWG) will work together on issues related to both states. Issues related to South Dakota will be coordinated with the agencies in South Dakota as necessary.

Membership

The PRB IWG is comprised of managers and technical staff from government entities with land management, conservation, or regulatory responsibilities in the PRB, and agencies such as the U.S. Geological Survey, which provide scientific support. Current members include:

Federal Agencies

- Army Corps of Engineers
- Bureau of Indian Affairs
- Bureau of Land Management
- Department of Energy
- Environmental Protection Agency
- Fish and Wildlife Service
- Forest Service
- Geological Survey
- National Park Service

State of Montana

- Board of Oil and Gas Conservation
- Bureau of Mines and Geology
- Department of Environmental Quality
- Dept. of Natural Resources & Conservation
- Fish, Wildlife & Parks

State of Wyoming

- Department of Environmental Quality
- Game and Fish Commission
- Oil and Gas Conservation Commission
- State Engineer
- State Historic Preservation Office
- Planning Office

Tribal Governments

- The Crow Tribe
- The Northern Cheyenne Tribe

County Governments

- Bighorn County, MT
- Custer County, MT
- Powder River County, MT
- Rosebud County, MT
- Campbell County, WY
- Converse County, WY
- Johnson County, WY
- Sheridan County, WY

Additional members may be added to the PRB IWG with the consensus of the members of the group. Federal, state, tribal and local government agencies that are not members of the PRB IWG may still participate as members of the Task Groups, with the approval of the Montana or Wyoming State Working Groups, on an “as needed” basis without having to formally join the PRB IWG.

PRB Interagency Working Group Organization and Function

The PRB Interagency Working Group is divided into three levels as shown in Figure 2. *Level 3* is the Interagency Coordinating Committee (ICC) composed of the State and Federal agency directors with decisionmaking authority over CBNG activities.

Level 2 consists of the two distinct state-specific interagency working groups as envisioned by the April 2003 BLM Records of Decision. There is one interagency working group for Montana and one for Wyoming under the leadership of the BLM Miles City and Buffalo Field Offices, respectively.

Level 1 is composed of Task Groups staffed by technical specialists to address specific resource issues or topics. The Task Groups are organized and directed by the Level 2 State Working Groups. Task Groups with common goals for Montana and Wyoming will be co-formed. Task Groups for a state-specific issue will be made up of specialists from their respective state.

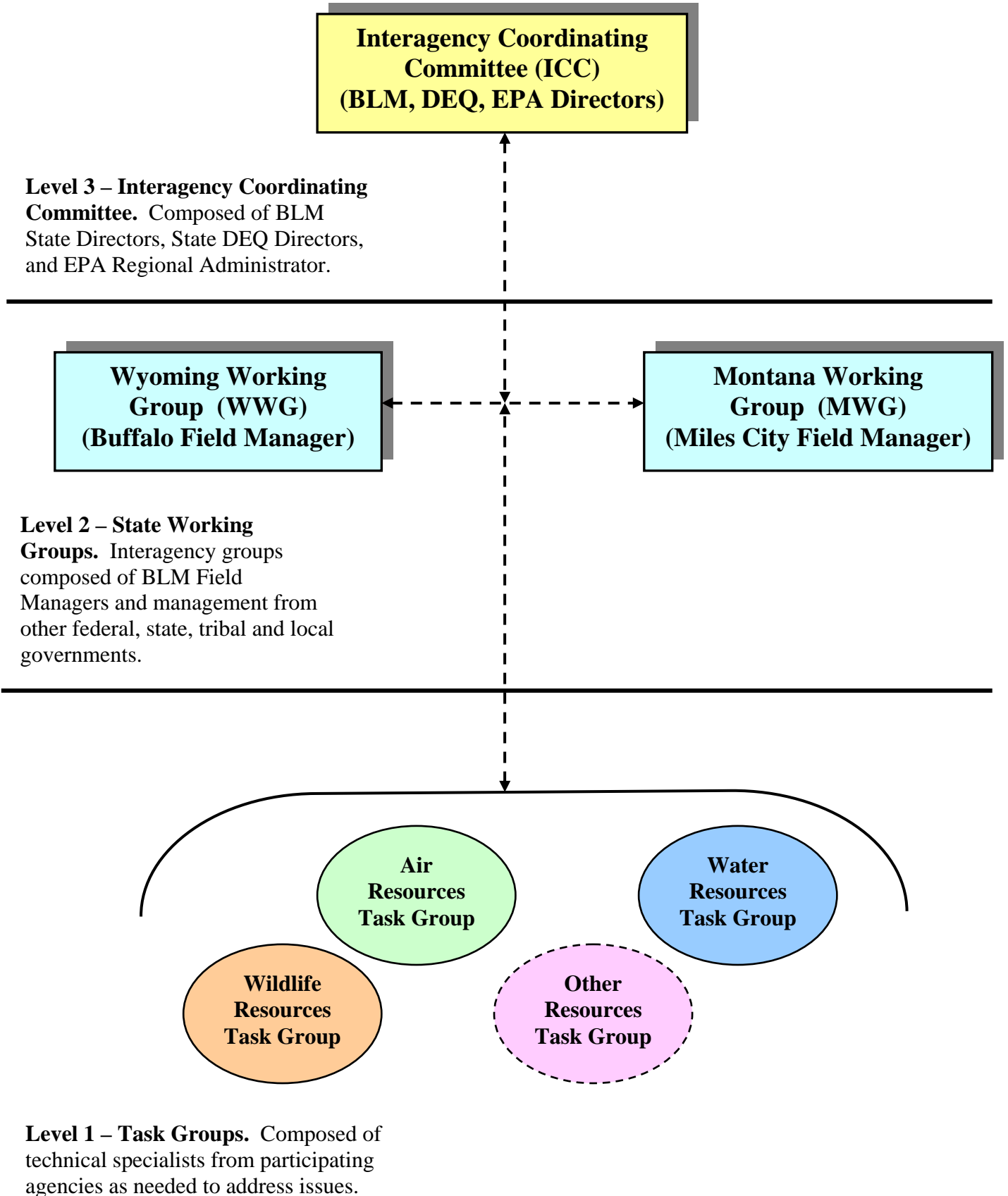
The organization and function of these three levels is discussed in more detail below:

Level 3 - Interagency Coordinating Committee

The ICC is composed of the agency directors with responsibility for issuing site-specific regulatory or management decisions on CBNG activities. Members of the ICC include the BLM State Directors for Montana and Wyoming, the Department of Environmental Quality Directors for Montana and Wyoming as their State Governor's representative, and the EPA Regional Administrator or their deputy. Responsibilities of the ICC include:

- Meet at least twice a year to provide oversight and support of the IWG efforts.
- Review and update the Montana and Wyoming working groups' goals and objectives.
- Set priorities and provide direction to the Montana and Wyoming working groups.
- Seek agency and Congressional support for the Montana and Wyoming working groups and their initiatives.
- Resolve interagency conflicts or issues forwarded by the Montana and Wyoming working groups.
- Identify agencies potentially affected by issues before the ICC and invite their participation in ICC discussions as appropriate.

Figure 2 – Powder River Basin, Interagency Working Group Organization



Level 2 - Montana Working Group (MWG)

Members of the MWG include the local officials from the Federal agencies listed in the Membership section of this charter, the State of Montana agencies, representatives from both the Crow and Northern Cheyenne tribal governments, and county government officials from Bighorn, Custer, Power River, and Rosebud Counties.

The MWG will operate under the leadership of the BLM Miles City Field Manager. Functions of the MWG include:

- Maintain close coordination with the Wyoming Working Group to ensure consistency in Task Group activities and CBNG management decisionmaking.
- Establish the Level 1 Task Groups, as needed, and approve Task Group charters. Note: At this time it is recognized that four Task Groups are to be established, an Air Resources Group, a Water Resources Group, a Wildlife Group, and an Aquatic Resources Group (the Water, Air and Wildlife Task Group Charters are attached as appendices). These Task Groups will be composed of both Montana and Wyoming specialists.
- Provide clear and timely direction and support to the Task Groups to accomplish their tasks and responsibilities. Note: Not every agency that is a member of the state working groups need provide a representative to each Task Group. Task Group staffing should be based on the technical expertise required to complete the specific duties of the Task Group.
- Prioritize and review the work of the Task Groups.
- Identify opportunities for innovative and cooperative management of PRB resources.
- Review basin-wide issues within and between participating agencies.
- Establish and review at least annually the cooperative goals and objectives.
- Work to obtain funding for MWG initiatives and Task Groups from participating agencies.
- Assist in formulating appropriate agency guidance to implement the MWG's goals, objectives, plans and initiatives.
- Evaluate progress and effectiveness of the MWG's initiatives and the activities of the Task Groups.
- Coordinate communication and public input.
- Serve as the first level of resolution for interagency conflicts.

Level 2 – Wyoming Working Group (WWG)

Members of the WWG include the local officials from the Federal agencies listed in the Membership section of this charter, the State of Wyoming agencies, and county government officials from Campbell, Converse, Johnson, and Sheridan Counties.

The WWG will operate under the leadership of the BLM Buffalo Field Manager. Functions of the WWG include:

- Maintain close coordination with the Montana Working Group to ensure consistency in Task Group activities and CBNG management decisionmaking.
- Establish the Level 1 Task Groups, as needed, and approve Task Group charters. Note: At this time it is recognized that four Task Groups are to be established, an Air Resources Group, a Water Resources Group, a Wildlife Group, and an Aquatic Resources Group (the Water, Air and Wildlife Task Group Charters are attached as appendices). These Task Groups will be composed of both Montana and Wyoming specialists.
- Provide clear and timely direction and support to the Task Groups to accomplish their tasks and responsibilities. Note: Not every agency that is a member of the state working groups need provide a representative to each Task Group. Task Group staffing should be based on the technical expertise required to complete the specific duties of the Task Group.
- Prioritize and review the work of the Task Groups.
- Identify opportunities for innovative and cooperative management of PRB resources.
- Review basin-wide issues within and between participating agencies.
- Establish and review at least annually the cooperative goals and objectives.
- Work to obtain funding for WWG initiatives and Task Groups from participating agencies.
- Assist in formulating appropriate agency guidance to implement the WWG's goals, objectives, plans and initiatives.
- Evaluate progress and effectiveness of the WWG's initiatives and the activities of the Task Groups.
- Coordinate communication and public input.
- Serve as the first level of resolution for interagency conflicts.

Level 1 - Task Groups

The State Working Groups for Montana and Wyoming may form joint or individual Task Groups, as needed, to work on specific resource issues or topics. The responsibility of each Task Group is to:

- Organize the Task Group as directed by the State Working Groups. Identify a group leader and prepare a charter for approval by the State Working Group. Subgroups may be appropriate. BLM will provide assistance for each task group with meeting logistics. Note: Task Group charters prepared to date are included in the appendix. These charters may be modified as directed by the State Working Groups. Additional Task Groups may be formed and their Task Group charters will be appended to this PRB IWG charter.
- Conduct group meetings or work sessions to accomplish the assigned task. Note: Task Groups formed in both Montana and Wyoming for similar efforts must coordinate their activities and may need to operate as a single Task Group on issues relevant to both states.
- Prepare written reports and recommendations back to the IWGs.
- Identify additional resource issues, topics, or opportunities that could be addressed by the Task Group and forward to the State Working Group for their consideration. This could include identifying issues that may necessitate an amendment to the RMPs.
- Keep the State Working Groups informed as to the funding or staffing needs of the Task Group.
- Seek to resolve interagency or intraagency differences before raising the issue to the State Working Group. If an issue is to be raised to the State Working Group, the Task Group leader is responsible for presenting all viewpoints to the State Working Group for resolution.

PRB Interagency Working Group Funding

The following principles for funding and support apply to agency participation in the PRB Interagency Working Group:

- Commensurate with the resources available, members will support the PRB IWG by committing funding and/or staffing to the IWG's efforts.
- Participation at any level of the PRB IWG does not obligate an agency or governmental unit to expend funds beyond those appropriated or available.
- Participation in the PRB IWG does not entitle an agency or governmental unit to receive funds from other participants; although assistance agreements may still be used to direct funding between agencies in order to support IWG initiatives.
- Member agencies are responsible for their own travel costs and other expenses unless other arrangement have been made.
- Participating agencies may pool resources (either staffing or funding) to conduct needed studies or evaluations in a manner that will increase the efficient use of funds. Identifying opportunities for such cost-sharing efforts are encouraged.

- Appendix 1 -

Charter Task Group on Water Resources

Background and Purpose: Coal Bed Natural Gas (CBNG) development requires the extraction of substantial volumes of water from coal beds in order to produce natural gas. Removal of groundwater from aquifers, and management of produced water on the surface, both have potential to cause environmental impacts. These impacts can be reduced through the use of appropriate mitigation measures. Appropriate monitoring at both local and regional scales will allow the effectiveness of mitigation measures to be assessed, and a better understanding of the watersheds to be attained. Appropriate action levels and specific management actions must be planned in advance to ensure that groundwater drawdown is properly addressed, and that the beneficial uses of surface waters and shallow aquifers are not impaired. It is the purpose of this group to develop appropriate monitoring techniques for surface water and groundwater to address these concerns, and to assist in the development of Total Maximum Daily Loads (TMDLs).

Tasks:

Initial tasks for the group are as follows. Additional tasks may be developed, as appropriate, by either the Montana or Wyoming State Working Groups.

1. Develop a surface water monitoring plan for watersheds anticipated to be affected by CBNG development (build off of EPA/USGS outline, the WY-BLM monitoring plan, and existing surface water monitoring). The entire task group will be involved for watersheds that cross state lines, while state sub-groups will be used for watersheds which lie exclusively in a single state.
2. Develop an integrated groundwater-monitoring plan for aquifers anticipated to be affected by CBNG development. (Build off of MT-Technical Advisory Committee (TAC) recommendations, and existing monitoring in WY and MT).
3. Prepare an ongoing list of studies being conducted, and provide recommendations on additional studies that are needed.
4. Function as a forum for discussion of issues relating to the development of TMDLs. The entire task group will be involved in developing TMDLs for watersheds that cross state lines, while state sub-groups will be used for watersheds which lie exclusively in a single state. The final decision on appropriate TMDLs is a State and EPA function.

- Appendix 2 -

Charter Task Group on Air Quality

Background and Purpose:

Coal bed natural gas (CBNG) development has occurred extensively in Wyoming and is beginning to develop in Montana. With CBNG development, the potential exists for air quality impacts to occur in the surrounding area from an accumulation of emission sources. The air quality task group will be comprised of staff representing the appropriate agencies or organizations and will be formed to complete assignments and to develop recommendations for the Interagency Coordinating Committee (ICC) or the State Working Groups on issues that relate to air quality from CBNG development.

Duties and Responsibilities:

- A. The air quality task group will provide review and technical assistance in the following areas:
 - 1. Assessment of existing monitoring;
 - 2. Development of a methodology for establishment of baseline emission inventories for Prevention of Significant Deterioration (PSD) increment analyses and analyses of air quality related values (AQRVs);
 - 3. Development of a strategy for assessing and mitigating cumulative impacts (PSD increments and AQRVs) in impacted Class I areas and other affected Class II areas;
 - 4. Identification of existing models and recommendations on appropriate uses, including the development of modeling protocols for use; and
 - 5. Provide an on-going assessment of best available control technology analyses.
- B. When requested by either the ICC or a State Working Group, the air quality task group will provide review and technical assistance on current and future air quality issues that may arise from CBNG development.
- C. The air quality task group will determine for each issue when it is appropriate to work collectively or independently on each task identified in Responsibilities A and B.
- D. Provide any necessary briefings to the ICC or the State Working Groups on the air quality task group's progress or activities.
- E. Meet, with adequate notification of meeting (e.g. 30 days advanced notice with agenda 1 week prior to meeting), either telephonic or in person, as necessary to complete the assignments to the air quality task group. For the meeting, the group will designate a recorder to provide a written synopsis of the meeting.
- F. Every group member has equal power and authority.

- G. Group participants may include, but are not limited to, the following agencies: Wyoming Department of Environmental Quality, Montana Department of Environmental Quality, Wyoming and Montana offices of the Bureau of Land Management, U.S. Environmental Protection Agency, National Park Service, U.S. Forest Service, U.S. Fish and Wildlife Service, and the Northern Cheyenne Tribe.

- Appendix 3 -

**Charter
Task Group on Wildlife Resources**

Background and Purpose:

Coal Bed Natural Gas development causes direct disturbance to wildlife habitat, indirect effects to individuals or populations, and habitat fragmentation. Mitigation measures to minimize effects to wildlife have been developed as part of the EIS process in both Montana and Wyoming. In addition to the mitigation measures, Montana has instituted a Wildlife Monitoring and Protection Plan. The purpose of the plan is to acquire baseline wildlife information, monitor populations, and assess mitigation measures for effectiveness.

The wildlife resources Task Group will be comprised of technical specialists representing the appropriate agencies or organizations and will be formed to complete assignments and develop recommendations for the coordinating committee or interagency working groups on issues regarding wildlife effects from CBNG development.

Tasks:

The priority tasks for the group are as follows:

1. Wyoming representatives will coordinate with Montana representatives to develop a wildlife monitoring and protection plan for the Powder River Basin (PRB) Oil and Gas Project EIS area. The Wyoming plan will build off of the Montana plan (which is already in effect) and at a minimum will address the species and habitats outlined in Appendix E of the ROD for the PRB EIS.
2. Develop key indicators or triggers to be used as a “need for additional action” indicator. Again, the Wyoming members will coordinate with Montana members because the “triggers” are already in effect in Montana.
3. Develop monitoring protocol to assess reclamation/restoration of habitat.
4. When requested by the ICC or a State Working Group, the Wildlife Task Group will provide review and technical assistance on wildlife issues that may arise from CBNG development.

Additional tasks may be developed by either the Wyoming or Montana Interagency Working Groups.

- Appendix 4 -

**Charter
Aquatics Task Group**

Background and Purpose:

Coal Bed Natural Gas (CBNG) development may impact aquatic habitat, aquatic species and populations. Mitigation measures to minimize effects to aquatic life and habitat have been adopted, and others will be established, as part of the EIS process in both Montana and Wyoming. The purpose of this Task Group is to function as a forum for discussion of issues relating to aquatic resources and serve as a technical advisory group to the IWG on aquatic resources.

The Aquatics Task Group will be comprised of technical specialists representing the appropriate agencies or organizations. The Task Group will make recommendations to the IWG on issues regarding aquatic life and habitat effects from CBNG development.

Tasks:

The priority tasks for the group are as follows:

1. Develop aquatic species and habitat monitoring plans for watersheds or specific portions of watersheds anticipated to be affected by CBNG development. Identify what is needed, what exists, and prepare a plan for what data needs to be collected to fill in gaps.
2. Recommend measures to first avoid or minimize impacts to aquatic species and their habitats. If this is not possible, then attempt to mitigate impacts to aquatic species and their habitats, and develop methods of assessing the effectiveness of the mitigation measures.