

Wyoming Department of Environmental Quality
Water Quality Division
WYPDES Program

STATEMENT OF BASIS

Major Modification

APPLICANT NAME: Petrox Resources, Inc.

MAILING ADDRESS: 39868 Highway 13
Meeker, CO 81641

FACILITY LOCATION: Big Mike's Flat, located in the SWSW, NWSW, Section 7, and the SWSW, SWNW, Section 18, Township 48 North, Range 77 West, Johnson County. The produced water will be discharged to various named on-channel reservoirs (4B), located on various unnamed, ephemeral tributaries (4B) of the Powder River (2ABWW). The permit establishes a total maximum daily flow limit of 0.45 MGD, and requires that the produced water being discharged by this facility originate in the Big George coal seam.

NUMBER: WY0051195

The terms of permit WY0051195 are hereby modified as follows:

- 1. Two outfalls (003 and 004) and three reservoirs are added to this permit. The total maximum daily flow limit of 0.45 MGD for this facility is not increased through this major modification.*
- 2. In accordance with current WDEQ regulations, the effluent limit and monitoring requirements for total petroleum hydrocarbons (TPH) are removed.*

With the exception of items explicitly delineated in this major modification, all terms and conditions of WY0051195, including Parts II and III of the original permit, shall remain unchanged and in full force and effect.

This facility is a typical coal bed methane production facility in which groundwater is pumped from a coal bearing formation resulting in the release of methane from the coal bed. The permit authorizes the discharge to the surface of groundwater produced in this way provided the effluent quality is in compliance with effluent limits that are established by this permit. In developing effluent limits, all federal and state regulations and standards have been considered and the most stringent requirements incorporated into the permit. The EPA Effluent Guidelines and Standards for Oil and Gas Extraction Point Source Category (Part 435, Subpart E) predate the development of coal bed methane extraction technology; however the technology is similar enough to conventional gas extraction that, in the professional judgement of the WDEQ, this effluent limit guideline is appropriately applied to coal bed methane gas production. The guideline limits oil and grease effluent concentrations to less than 35 mg/l and requires that discharges of produced water be used for agricultural production and/or wildlife propagation. This permit does not cover activities associated with discharges of drilling fluids, acids, stimulation waters or other fluids derived from the drilling or completion of the wells.

The permittee has chosen option 2 of the coal bed methane permitting options. Under this permitting option, the produced water is immediately discharged to a receiving stream which is eventually tributary to a class 2AB perennial water of the state. Although Van Houten Draw is classified as a class 4 stream, discharges from this facility have the potential to impact Powder River quality. Therefore, the permit establishes end of pipe limits

protective of all the designated uses defined in Chapter 1 of Wyoming Water Quality Rules and Regulations for class 2 waters. This may include drinking water, game and non-game fish, fish consumption, aquatic life other than fish, recreation, agriculture, wildlife, industry and scenic value.

The Wyoming DEQ has determined through review of the permit application and available scientific information that effluent discharged from this facility will be put to agricultural and/or wildlife use and is unlikely to reach the Powder River on a continual or frequent basis. The permittee has submitted certified statements that demonstrate discharged effluent will be put to use for livestock and wildlife watering. Although some of the discharge will be used by wildlife and livestock, a portion of the flow may also be lost due to stream channel infiltration. The water management plan and water budget submitted by the permittee indicate that the reservoirs associated with this facility can effectively manage a produced water volume of 0.45 MGD within the reservoirs. Therefore, the maximum total effluent flow rate from this facility is estimated at 0.715 cfs.

Discharges from the reservoirs being utilized as part of the water management plan for this facility are not permitted except during precipitation events that cause the reservoirs to fill and overtop. In this instance, the permittee has committed to and will be required to contain all CBM effluent and stormwater runoff equivalent to a 10 year, 24 hour storm event (precipitation equal to 2 inches). The reservoirs may not discharge except during those periods of time in which a storm equal to or greater than a 10 year, 24 hour precipitation event causes the reservoirs to fill and overtop. The permittee has committed that effluent shall not reach the Powder River. However, in the event that such a situation occurs, this permit establishes a monitoring station on the receiving stream prior to the confluence with the Powder River. This station will function to monitor any effluent flows to the Powder River.

Permit effluent limits are based on federal and state regulations and are effective as of the date of issuance. The pH must remain within 6.5 and 9.0 standard units. Effluent limits for total dissolved solids (5,000 mg/l), specific conductance (7500 micromhos/cm), and sulfates (3,000 mg/l) are included to protect for stock and wildlife watering. These limits are based upon Wyoming Water Quality Rules and Regulations, Chapter 2 and apply to discharges from all permitted outfalls. In addition, the permit establishes a radium 226 limit of 1 pCi/l, a dissolved manganese limit of 650 µg/l, a total barium limit of 1800 µg/l, a total arsenic limit of 7 µg/l, and a chlorides limit of 46 mg/l. These limits are based on chronic aquatic life standards for class 2AB waters which are intended to protect for the above listed designated uses and reflect the application of the antidegradation provisions required under Chapter 1 of the Wyoming Water Quality Rules and Regulations. In addition, the permit establishes a dissolved iron limit of 1000 µg/l, which is based upon chronic aquatic life standards for class 3B waters greater than one mile from the confluence of a class 2 water, and reflects the application of standards required under Chapter 1 of the Wyoming Water Quality Rules and Regulations. The permit also requires that the produced water being discharged by this facility originate in the Big George coal seam. Application information submitted by the permittee indicates that this facility has the capacity to handle a CBM effluent discharge volume of 0.45 MGD within the reservoirs proposed for CBM produced water containment, therefore, the permit establishes a total maximum discharge limit of 0.45 MGD.

The permit requires sampling at two designated tributary water quality monitoring stations located on the receiving streams –unnamed, ephemeral tributaries of the Powder River, and at mainstem water quality monitoring station locations on the Powder River upstream and downstream of the section of the Powder River containing the confluences of the unnamed, ephemeral tributaries with the Powder River. Water quality monitoring stations on the Powder River will be located in the main channel of the Powder River outside of the mixing zone of the unnamed, ephemeral tributaries and the Powder River. Effluent samples at the designated water quality monitoring stations must be collected on a monthly basis and are to be reported semiannually. Samples taken in compliance with the monitoring requirements specified above shall be taken at the following locations: designated water quality monitoring stations identified as TRIB1, TRIB2, UPR, and DPR in Table 1

of the permit below. Established water quality monitoring stations on the mainstem are to be located outside the mixing zone with the tributary and the mainstem. Monthly water quality samples are to be collected at all three water quality monitoring stations when effluent from this CBM facility reaches a tributary water quality monitoring station. If flow occurs at a tributary water quality monitoring station during a given monthly monitoring period, but this CBM facility did not contribute to that flow, the permittee will report "did not contribute" in the discharge monitoring reports for that monthly monitoring period. Under such circumstances, sampling is not required at any of the water quality monitoring stations, and it will be the responsibility of the permittee to demonstrate that the effluent from this facility did not contribute to the flow occurring at a tributary water quality monitoring station. If no flow at all occurs at a tributary water quality monitoring station for an entire monthly monitoring period, then "no flow" is to be reported and samples need not be collected at any of the water quality monitoring stations for that monthly monitoring period.

At the designated water quality monitoring stations, monitoring will be required for calcium, magnesium, sodium, sodium absorption ratio and specific conductance. Information gathered from the water quality monitoring stations may result in modification of the permit to protect existing uses on the tributary and mainstem.

The designated tributary water quality monitoring stations are located on the tributaries (the unnamed, ephemeral tributaries of the Powder River), in the NESE and the SESE, Section 18, Township 48 North, Range 77 West, , and on the mainstem (Powder River) in the NESE, Section 19, Township 48 North, Range 77 West, and in the SWSE, Section 8, Township 48 North, Range 77 West, upstream and downstream (respectively) of the confluences of the unnamed, ephemeral tributaries and the Powder River, in the main channel of the Powder River. Established water quality monitoring stations on the mainstem are to be located outside the mixing zone of the tributary with the mainstem.

Results are to be reported twice-yearly and if no discharge occurs at the outfall then "no discharge" is to be reported. The permit also requires that an initial monitoring of the effluent be conducted within the first 60 days of discharge and the results submitted to WDEQ and the U.S. Environmental Protection Agency within 120 days of the commencement of discharge.

Reservoir and/or discharge water is to be released at a rate which does not cause significant erosion to the channel or receiving lands.

There shall be no discharge of floating solids or visible foam in other than trace amounts, nor shall the discharge cause formation of visible deposits of iron, hydrocarbons or any other constituent on the bottom or shoreline of the receiving water. In addition, erosion control measures will be implemented to prevent significant damage to or erosion of the receiving water channel at the point of discharge.

The discharge of wastewater and the effluent limits that are established in this permit have been reviewed to ensure that the levels of water quality necessary to protect the designated uses of the receiving waters are maintained and protected. An antidegradation review has been conducted and verifies that the permit conditions, including the effluent limitations established, provide a level of protection to the receiving water consistent with the antidegradation provisions of Wyoming surface water quality standards.

Self monitoring of effluent quality and quantity is required on a regular basis with reporting of results semiannually. The permit is scheduled to expire on November 30, 2007, which is reflective of the WDEQ's efforts towards watershed permitting and similar expiration dates for all permits within a specific drainage, which will allow for basin-wide analysis upon renewal of the permits in the drainage. .

Kathy Shreve
Water Quality Division
Department of Environmental Quality
Drafted: October 4, 2004

Jennifer Zygmunt—Major Modification
Water Quality Division
Department of Environmental Quality
Drafted: December 20, 2005

AUTHORIZATION TO DISCHARGE UNDER THE
WYOMING POLLUTANT DISCHARGE ELIMINATION SYSTEM

In compliance with the provisions of the Federal Water Pollution Control Act, (hereinafter referred to as "the Act"), and the Wyoming Environmental Quality Act,

Petrox Resources, Inc.

is authorized to discharge from the wastewater treatment facilities serving the

Big Mike's Flat

which is located in the

SWSW, NWSW, Section 7, and the SWSW, SWNW, Section 18, Township 48 North, Range 77 West, Johnson County,

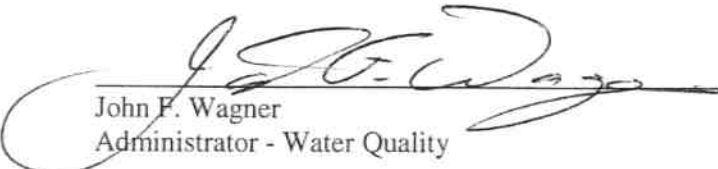
to receiving waters named

various named on-channel reservoirs (4B), located on various unnamed, ephemeral tributaries (4B) of the Powder River (2ABWW,

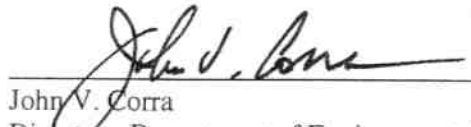
in accordance with effluent limitations, monitoring requirements and other conditions set forth in Parts I, II and III hereof.

This major modification shall become effective on the date of signature by the Director of the Department of Environmental Quality. *With the exception of items explicitly delineated in this major modification, all terms and conditions of WY0051195, including Parts II and III of the original permit, shall remain unchanged and in full force and effect.*

This permit and the authorization to discharge shall expire November 30, 2007, at midnight .


John F. Wagner
Administrator - Water Quality

5/19/06
Date


John V. Corra
Director - Department of Environmental Quality

5/22/06
Date

PART IA. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

Effective immediately and lasting through November 30, 2007, the quality of effluent discharged by the permittee shall, at a minimum, meet the limitations set forth below. The permittee is authorized to discharge from outfall(s) serial numbers 001-004.

- Discharges shall be monitored by the permittee as specified below:

Effluent Limits

<u>Effluent Characteristic</u>	<u>Daily Maximum</u> <u>Outfall</u>
Chlorides, mg/l	46
Dissolved Iron, µg/l	1000
Dissolved Manganese, µg/l	650
pH, standard units	6.5 – 9.0
Specific Conductance, micromhos/cm	7500
Sulfates, mg/l	3000
Total Arsenic, µg/l	7
Total Barium, µg/l	1800
Total Dissolved Solids, mg/l	5000
Total Radium 226, pCi/l	1
Total Flow, MGD**	0.45

**Total flow is to be calculated as the sum of all discharge from all permitted outfalls. The permit requires that the produced water being discharged by this facility originate in the Big George coal seam.

The pH shall not be less than 6.5 standard units nor greater than 9.0 standard units in any single grab sample.

The permittee may, if so desired, discharge effluent from any authorized well to any permitted outfall, as long as all permit limits and requirements can be met. This facility, as originally permitted, consisted of 2 outfalls and 24 wells. Upon approval of this modification, this facility consists of 4 outfalls and 22 wells.

Information gathered from the water quality monitoring stations may result in modification of the permit to protect existing uses on the tributary and the mainstem.

There shall be no discharge of floating solids or visible foam in other than trace amounts, nor shall the discharge cause formation of a visible sheen or visible hydrocarbon deposits on the bottom or shoreline of the receiving water. Discharges from the reservoirs being utilized to contain CBM produced water as part of the water management plan for this facility are not allowed except in the event stormwater runoff from a precipitation event greater than or equal to a 10 year, 24 hour event (2.0 inches of precipitation) causes the reservoirs to fill and overtop.

All waters shall be discharged in a manner to prevent erosion, scouring, or damage to stream banks, stream beds, ditches, or other waters of the state at the point of discharge. In addition, there shall be no deposition of substances in quantities which could result in significant aesthetic degradation, or degradation of habitat for aquatic life, plant life or wildlife; or which could adversely affect public water supplies or those intended for agricultural or industrial use.

2. Discharges shall be monitored by the permittee as specified below:

a. Monitoring of the initial discharge

If the outfalls being authorized for discharge under this permit renewal have already been sampled and analyzed for initial monitoring constituents, the permittee is not required to re-sample and re-analyze the outfalls if results have been obtained for all the constituents listed below and reported to the WDEQ.

Within 60 days of commencement of discharge, a sample shall be collected from each outfall and analyzed for the 24 constituents specified below, at the required detection limits. Within 120 days of commencement of discharge, a summary report on the produced water must be submitted to the Wyoming Department of Environmental Quality and the U.S. EPA Region 8 at the addresses listed below. This summary report must include the results and detection limits for each of the 24 constituents. In addition, the report must include written notification of the established location of the discharge point (refer to Part I.B.11). This notification must include a confirmation that the location of the established discharge point(s) is within 1,510 feet of the location of the identified discharge point(s), is within the same drainage, and discharges to the same landowner's property as identified on the original application form. The legal description and location in decimal degrees of the established discharge point(s) must also be provided. After receiving the monitoring results for the initial discharge, the effluent limits and monitoring requirements established in this permit may be modified.

Parameter* (See notes following the table on chemical states)

Required Detection Limits and Required Units

Alkalinity, Total	1 mg/l as CaCO ₃
Aluminum, Total Recoverable	50 µg/l
Arsenic, Total	1 µg/l

Parameter* (See notes following the table on chemical states)

Required Detection Limits and Required Units

Barium, Total	100 µg/l
Bicarbonate	10 mg/l
Cadmium, Dissolved	5 µg/l
Calcium, Dissolved	50 µg/l, report as me/l
Calcium, Dissolved	50 µg/l, report as mg/l
Chlorides	5 mg/l
Copper, Dissolved	10 µg/l
Dissolved Solids, Total	5 mg/l
Hardness, Total	10 mg/l as CaCO ₃
Iron, Dissolved	50 µg/l
Lead, Dissolved	2 µg/l
Magnesium, Dissolved	100 µg/l, report as me/l
Magnesium, Dissolved	100 µg/l, report as mg/l
Manganese, Dissolved	50 µg/l
Mercury, Dissolved	1 µg/l
pH	to 0.1 pH unit
Radium 226, Total	0.2 pCi/l
Selenium, Total Recoverable	5 µg/l
Sodium Adsorption Ratio	Calculated as unadjusted ratio
Sodium, Dissolved	100 µg/l, report as me/l
Sodium, Dissolved	100 µg/l, report as mg/l
Specific Conductance	5 micromhos/cm
Sulfates	10 mg/l
Zinc, Dissolved	50 µg/l

TOTAL: Value is expressed in terms of total recoverable metal in the water column.

NOTE: Except for aquatic life values for metals and where otherwise indicated, the values given refer to the total recoverable (dissolved plus suspended) amount for each substance. For the aquatic life values for metals, the values refer to the dissolved amount.

DISSOLVED: Value is based on the dissolved amount which is the amount that will pass through a 0.45 µm membrane filter prior to acidification to pH 1.5 - 2.0 with nitric acid.

Initial monitoring reports are to be sent to the following addresses:

Planning and Targeting Program, 8ENF-PT
Office of Enforcement, Compliance, and Environmental Justice
U.S. EPA Region 8
999 18th St., Suite 300
Denver, CO 80202-2466

and

Wyoming Department of Environmental Quality
Water Quality Division

Herschler Building, 4 West
122 West 25th Street
Cheyenne, WY 82002

b. Routine monitoring End of Pipe – 001-004

For the duration of the permit, at a minimum, samples for the constituents described below shall be collected at the indicated frequencies. The first routine monitoring for the time frame during which the monitoring of initial discharge occurs will, at a minimum, consist of flow measurements for the duration of the six-month monitoring time frame. Monitoring will be based on semi-annual time frames, from January through June, and from July through December.

<u>Parameter</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Bicarbonate (mg/l)	Once every six months	Grab
Dissolved calcium (mg/l)	Monthly, April through September	Grab
Dissolved calcium (me/l)	Monthly, April through September	Grab
Chloride (mg/l)	Annually	Grab
Dissolved Iron ($\mu\text{g/l}$)	Annually	Grab
Dissolved Manganese ($\mu\text{g/l}$)	Annually	Grab
Dissolved Magnesium (mg/l)	Monthly	Grab
Dissolved Magnesium (me/l)	Monthly	Grab
pH (standard units)	Once Every Six Months	Grab
Total Radium 226 (pCi/l)	Annually	Grab
Dissolved Sodium (mg/l)	Monthly, April through September	Grab
Dissolved Sodium (me/l)	Monthly, April through September	Grab
Sodium Adsorption Ratio (unadjusted)	Monthly, April through September	Calculated
Specific Conductance (micromohs/cm)	Monthly, April through September	Grab
Sulfate (mg/l)	Annually	Grab
Total Alkalinity (mg/l)	Once Every Six Months	Grab
Total Arsenic ($\mu\text{g/l}$)	Annually	Grab
Total Barium ($\mu\text{g/l}$)	Annually	Grab
Total Flow – (MGD)	Monthly	Continuous

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): At the outfall of the final treatment unit which is located out of the natural drainage and prior to admixture with diluent waters.

c. Water Quality Monitoring Stations TRIB1, TRIB2, UPR, DPR

For the duration of the permit, at a minimum, samples for the constituents described below shall be collected at the indicated frequencies. Monitoring will be based on monthly time frames, and reported semiannually.

<u>Parameter</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Dissolved Calcium (mg/l)	Monthly	Grab
Dissolved Calcium (me/l)	Monthly	Grab
Dissolved Magnesium (mg/l)	Monthly	Grab
Dissolved Magnesium (me/l)	Monthly	Grab
Dissolved Sodium (mg/l)	Monthly	Grab
Dissolved Sodium (me/l)	Monthly	Grab
Sodium Adsorption Ratio (calculated as unadjusted ratio)	Monthly	Calculated
Specific Conductance (micromohs/cm)	Monthly	Grab
Flow* (MGD)	Monthly	Instantaneous

*The permittee is only required to monitor and report flow at the tributary monitoring stations on the unnamed, ephemeral tributaries of the Powder River (TRIB1 and TRIB2). The permittee is not required to monitor or report flow data at the mainstem water quality monitoring stations (UPR and DPR), see Table 1 at the end of Part I for location descriptions.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following locations: designated water quality monitoring stations identified as TRIB1, TRIB2, UPR, and DPR in Table 1 (located at the end of Part I). Established water quality monitoring stations on the mainstem are to be located outside the mixing zone with the tributary and the mainstem. Monthly water quality samples are to be collected at all designated water quality monitoring stations when effluent from this CBM facility reaches either or both of the tributary water quality monitoring stations located on unnamed, ephemeral tributaries of the Powder River. If flow occurs at a tributary water quality monitoring station during a given monthly monitoring period, but this CBM facility did not contribute to that flow, the permittee will report "did not contribute" in the discharge monitoring reports for that monthly monitoring period. Under such circumstances, sampling is not required at other designated water quality monitoring stations, and it will be the responsibility of the permittee to demonstrate that the

effluent from this facility did not contribute to the flow occurring at a tributary water quality monitoring station. If no flow at all occurs at a tributary water quality monitoring station for an entire monthly monitoring period, then "no flow" is to be reported and samples need not be collected at the remaining associated water quality monitoring stations for that monthly monitoring period. At the designated water quality monitoring stations, monitoring will be required for calcium, magnesium, sodium, sodium absorption ratio and specific conductance. Information gathered from the water quality monitoring stations may result in modification of the permit to protect existing uses on the tributary and mainstem.

B. MONITORING AND REPORTING

1. Representative Sampling

Samples and measurements taken as required herein shall be representative of the volume and nature of the monitored discharge. All samples shall be taken at the monitoring points specified in this permit and, unless otherwise specified, before the effluent joins or is diluted by any other waste stream, body of water, or substance. Monitoring points shall not be changed without notification to and approval by the permit issuing authority.

2. Reporting

Results of initial monitoring, including the date the discharge began, shall be summarized on a Monitoring Report Form for Monitoring of Initial Discharge and submitted to the state water pollution control agency at the address below postmarked no later than 120 days after the commencement of discharge.

Results of routine end of pipe, irrigation compliance point, and water quality station monitoring during the previous six (6) months shall be summarized and reported semiannually on a Discharge Monitoring Report Form (DMR). If the discharge is intermittent, the date the discharge began and ended must be included. The information submitted on the first semiannual DMR shall contain a summary of flow measurements and any additional monitoring conducted subsequent to the submittal of the initial monitoring report. When required, whole effluent toxicity (biomonitoring) results must be reported on the most recent version of EPA Region VIII's Guidance for Whole Effluent Reporting. Monitoring reports must be submitted to the state water pollution control agency at the following address postmarked no later than the 15th day of the second month following the completed reporting period. The first report following approval of this major modification is due on August 15, 2006.

Legible copies of these, and all other reports required herein, shall be signed and certified in accordance with the Signatory Requirements contained in Part II.A.11.

Wyoming Department of Environmental Quality
Water Quality Division
Herschler Building, 4 West
122 West 25th Street
Cheyenne, WY 82002
Telephone: (307) 777-7781

If no discharge occurs during the reporting period, "no discharge" shall be reported. If discharge is intermittent during the reporting period, sampling shall be done while the facility is discharging.

3. Definitions

- a. The "monthly average" shall be determined by calculating the arithmetic mean (geometric mean in the case of fecal coliform) of all composite and/or grab samples collected during a calendar month.
- b. The "weekly average" shall be determined by calculating the arithmetic mean (geometric mean in the case of fecal coliform) of all composite and/or grab samples collected during any week.
- c. The "daily maximum" shall be determined by the analysis of a single grab or composite sample.
- d. "MGD", for monitoring requirements, is defined as million gallons per day.
- e. "Net" value, if noted under Effluent Characteristics, is calculated on the basis of the net increase of the individual parameter over the quantity of that same parameter present in the intake water measured prior to any contamination or use in the process of this facility. Any contaminants contained in any intake water obtained from underground wells shall not be adjusted for as described above and, therefore, shall be considered as process input to the final effluent. Limitations in which "net" is not noted are calculated on the basis of gross measurements of each parameter in the discharge, irrespective of the quantity of those parameters in the intake waters.
- f. A "composite" sample, for monitoring requirements, is defined as a minimum of four grab samples collected at equally spaced two hour intervals and proportioned according to flow.
- g. An "instantaneous" measurement for monitoring requirements is defined as a single reading, measurement, or observation.
- h. A "pollutant" is any substance or substances which, if allowed to enter surface waters of the state, causes or threatens to cause pollution as defined in the Wyoming Environmental Quality Act, Section 35-11-103.
- i. "Total Flow" is the total volume of water discharged, measured on a continuous basis and reported as a total volume for each month during a reporting period. The accuracy of flow measurement must comply with Part III.A.1.

4. Test Procedures

Test procedures for the analysis of pollutants, collection of samples, sample containers, sample preservation, and holding times, shall conform to regulations published pursuant to 40 CFR, Part 136, unless other test procedures have been specified in this permit.

5. Recording of Results

For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information:

- a. The exact place, date and time of sampling;
- b. The dates and times the analyses were performed;
- c. The person(s) who performed the analyses and collected the samples;
- d. The analytical techniques or methods used; and
- e. The results of all required analyses including the bench sheets, instrument readouts, computer disks or tapes, etc., used to determine the results.

6. Additional Monitoring by Permittee

If the permittee monitors any pollutant at the location(s) designated herein more frequently than required by this permit, using approved analytical methods as specified above, the results of such monitoring shall be included in the calculation and reporting of the values required in the Discharge Monitoring Report Form. Such increased frequency shall also be indicated.

7. Records Retention

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least three years from the date of the sample, measurement, report or application. This period may be extended by request of the administrator at any time. Data collected on site, copies of Discharge Monitoring Reports and a copy of this WYPDES permit must be maintained on site during the duration of activity at the permitted location.

8. Penalties for Tampering

The Act provides that any person who falsifies, tampers with or knowingly renders inaccurate, any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than two years per violation, or both.

9. Compliance Schedules

Reports of compliance or noncompliance with, or any progress reports on interim and final requirements contained in any Compliance Schedule of this permit shall be submitted no later than 14 days following each schedule date.

10. Facility Identification

All facilities discharging produced water shall be clearly identified with an all-weather sign posted at each outfall and flow monitoring locations (points of compliance). This sign shall, as a minimum, convey the following information:

- a. The name of the company, corporation, person(s) who holds the discharge permit, and the WYPDES permit number;
- b. The contact name and phone number of the person responsible for the records associated with the permit;
- c. The name of the facility (lease, well number, etc.) and the outfall number as identified by the discharge permit.

11. Identification and Establishment of Discharge Points

According to 40 CFR 122.21(k)(1), the permittee shall identify the expected location of each discharge point on the appropriate WYPDES permit application form. The location of the discharge point must be identified to within an accuracy of 15 seconds. This equates to a distance of 1,510 feet.

Public notice is not required if the location of the established discharge point is within 1,510 feet of the location of the discharge point originally identified on the permit application. In addition, the discharge must be within the same drainage and must discharge to the same landowner's property as identified on the original application form. If the three previously stated requirements are not satisfied, modification of the discharge point location(s) constitutes a major modification of the permit as defined in Part I.B.12. The permittee shall provide written notification of the establishment of each discharge point in accordance with Part I.A.2.a above.

12. Location of Discharge Points and Irrigation Compliance Points

As of the date of permit issuance, authorized points of discharge were as follows:

SEE TABLE 1 FOR A LIST OF OUTFALL LOCATIONS

13. Location of water quality monitoring stations

As of the date of issuance, authorized water quality monitoring stations were as follows:

SEE TABLE 1 FOR A LIST OF WATER QUALITY STATIONS

Requests for modification of the above list will be processed as follows. If the requested modification satisfies the definition of a minor permit modification as defined in 40 CFR 122.63 modifications will not be required to be advertised in a public notice. A minor modification constitutes a correction of a typographical error, increase in monitoring and/or reporting, revision to an interim compliance schedule date, change in ownership, revision of a construction schedule for a new source discharger, deletion of permitted outfalls, and/or the incorporation of an approved local pretreatment program.

TABLE 1: OUTFALL AND WQMS INFORMATION

Discharge Point # (Outfall)	Immediate Receiving Stream	Distance from outfall to mainstem (stream miles)	Quarter / Quarter	Section	Township	Range	Latitude	Longitude	Reservoir Name	Groundwater Approval Required for Discharge?
001	UET to Powder River	1.9	SWSW	7	48	77	44.1440	-106.1676	T48NR77W7SESW, T48NR77W18SENW, T48NR77W18SWNE	yes
002	UET to Powder River	1.7	SWSW	18	48	77	44.1276	-106.1685	T48NR77W18SESW	yes
003	UET to Powder River	1.5	SWNW	18	48	77	44.1342	-106.1658	T48NR77W7NWSW, T48NR77W7SWSW	yes
004	UET to Powder River	2.2	NWSW	7	48	77	44.1472	-106.1689	T48NR77W18SENW WEST	yes
TRIB1			NESE	18	48	77	44.1308	-106.1517		
TRIB2			SESE	18	48	77	44.1297	-106.1517		
UPR			NESE	19	48	77	44.1170	-106.1520		

A request for a minor modification must be initiated by the permittee by completing the form titled Wyoming Pollutant Discharge Elimination System Permit Modification Application For Coal Bed Methane. Incomplete application forms will be returned to the applicant.

The outfalls listed in Table 1 (located at the end of Part I) may be moved from the established location without submittal of a permit modification application provided all of the following conditions are satisfied:

1. The new outfall location is within 2640 feet of the established outfall location.
2. The new outfall location is within the same drainage or immediate permitted receiving waterbody.
3. There is no change in the affected landowners.
4. Notification of the change in outfall location must be provided to the WYPDES Permits Section on a form provided by the WQD Administrator within 10 days of the outfall location change. The form must be provided in duplicate and legible maps showing the previous and new outfall location must be attached to the form.

Moving an outfall location without satisfying the four above listed conditions will be considered a violation of this permit and subject to full enforcement authority of the WQD.

An outfall relocation as described above will not be allowed if the new outfall location is less than one mile from the confluence of a Class 2 waterbody and the dissolved iron limits established in the permit for the outfall are based upon Class 3 standards.

C. **RESERVOIR / IMPOUNDMENT REQUIREMENTS**

1. **Groundwater Monitoring Beneath Impoundments**

Table 1 of the permit above identifies which outfalls (if any) are designed to discharge into impoundments that are subject to groundwater monitoring requirements established in the latest version of the Water Quality Division guideline "*Compliance Monitoring for Groundwater Protection Beneath Unlined Coalbed Methane Produced Water Impoundments.*" These specified outfalls are not authorized to discharge until a written groundwater compliance approval has been granted by the Groundwater Pollution Control Program of the Water Quality Division. A groundwater compliance approval will consist of either a final approved groundwater compliance monitoring plan, or written authorization for an exemption thereof. Once an impoundment has been granted a written groundwater compliance approval, the contributing outfall(s) to that reservoir may commence discharge.

Any discharge into an impoundment which has not been granted the required groundwater compliance approval will constitute a violation of this permit, and may result in enforcement action from the Water Quality Division to include a notice of violation, revocation of the discharge permit, or other appropriate enforcement action.