

**Wyoming Department of Environmental Quality  
Water Quality Division  
NPDES Program**

STATEMENT OF BASIS

MAJOR MODIFICATION

APPLICANT NAME: Pennaco Energy, Inc.

MAILING ADDRESS: 3601 Southern Drive  
Gillette, WY 82718

FACILITY LOCATION: Rucki 15 Non-Discharging POD, which is located in the SWSW, Section 4, the SENE, and NESE, Section 5, the SWNW, Section 9, the SWNW Section 27, and the NENE, Section 28, Township 57 North, Range 82 West, the SESE, Section 31, and the NWSW and SESW, Section 32, Township 58 North, Township 82 West, Sheridan County. The produced water will be discharged into various named, on-channel reservoirs (3B) located in unnamed ephemeral tributaries (3B) of Little Badger (3B) and the West Fork, Little Badger Creek (3B), which are both tributary to the Tongue River (2AB), via Badger Creek (3B). The permit requires that the produced water be contained within the on-channel reservoirs except during periods of time when stormwater runoff from a storm equal to or larger than a 100 year, 24 hour storm causes the reservoirs to overtop and spill. The permit also establishes a total maximum daily flow limit of 1.5 million gallons per day, (MGD), which is to be calculated as the sum of all discharge from all outfalls authorized for discharge, and requires that the produced water being discharged by this facility originate in one or more of the following formations: the Dietz 1, Dietz 3, Monarch, Smith, and/or Carney coal seams.

PERMIT NUMBER: WY0052485

*The following Statement of Basis only includes information that has changed with this modification. For a complete Statement of Basis, please see previously issued modifications or renewals for this permit.*

*Upon approval of this major modification, the terms of permit WY0052485 are hereby modified as follows:*

1. *In accordance with current WDEQ policy, the effluent limit and monitoring requirements for total petroleum hydrocarbons and sulfates are removed.*
2. *Remove effluent limit and routine EOP monitoring requirements for total dissolved solids.*
3. *Replace total recoverable aluminum requirements with dissolved aluminum requirements.*
4. *Change the range for pH from 6.5 to 8.5 standard units (s.u.) to 6.5 to 9.0 s.u.*

*With the exception of items explicitly delineated in this major modification, all terms and conditions of Permit No. WY0052485, including Parts II and III of the renewed permit, shall remain unchanged and in full force.*

This permit originally established a total petroleum hydrocarbons (TPH) limit of 10 mg/l at the end of pipe. Review of discharge monitoring report data for this facility and other CBM facilities in Northeast Wyoming indicates that the maximum reported concentrations for total petroleum hydrocarbons (TPH) in the discharge were well below the water quality standard of 10 mg/l established in Chapter 1 of the Wyoming Water Quality Rules and Regulations. Therefore, WDEQ has removed the effluent limit and monitoring requirement for TPH in this permit. Based on evaluation of the available data, it is WDEQ's determination that removing the total petroleum hydrocarbons limits from this permit conforms to the anti-backsliding requirements established in Section 402(o).2.B.i of the Clean Water Act.

This permit originally established a sulfate limit of 3000 mg/l at the end of pipe. Review of discharge monitoring report data for this facility and other CBM facilities in Northeast Wyoming indicates that the maximum reported concentrations for sulfate in the discharge were well below the water quality standards of 3000 mg/l for sulfates established in *Chapter 1 of the Wyoming Water Quality Rules and Regulations*. Therefore, WDEQ has removed the effluent limits and monitoring requirements for sulfate in this permit. Based on evaluation of the available data, it is WDEQ's determination that removing the sulfate from this permit conforms to the anti-backsliding requirements established in *Section 402(o).2.B.i of the Clean Water Act*.

Kathy Shreve  
Water Quality Division  
Department of Environmental Quality  
Drafted November 18, 2004

Bob Alexander  
Water Quality Division  
Department of Environmental Quality  
Drafted: June 4, 2008

AUTHORIZATION TO DISCHARGE UNDER THE  
NATIONAL 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,

Pennaco Energy, Inc.

is authorized to discharge from the wastewater treatment facilities serving the

Rucki 15 Non-Discharging POD,

located in the

SWSW, Section 4, the SENE, and NESE, Section 5, the SWNW, Section 9, the SWNW Section 27, and the NENE, Section 28, Township 57 North, Range 82 West, the SESE, Section 31, and the NWSW and SESW, Section 32, Township 58 North, Township 82 West, Sheridan County,

to receiving waters named

various named, on-channel reservoirs (3B) located in unnamed ephemeral tributaries (3B) of Little Badger (3B) and the West Fork, Little Badger Creek (3B), which are both tributary to the Tongue River (2AB), via Badger Creek (3B),

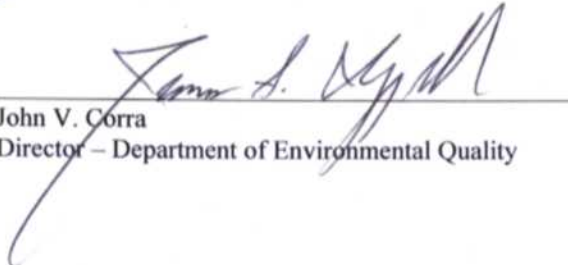
in accordance with effluent limitations, monitoring requirements and other conditions set forth in Parts I, II and III hereof.

This permit shall become effective on the date of signature by the Director of the Department of Environmental Quality.

This permit and the authorization to discharge shall expire at midnight, April 30, 2009.

  
John F. Wagner  
Administrator - Water Quality Division

10/3/08  
Date

  
John V. Corra  
Director - Department of Environmental Quality

10/7/08  
Date

PART I

A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

Effective immediately and lasting through April 30, 2009, 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 outfalls serial numbers 001-004, 007, 008, 010-013.

1. Such discharges shall be limited as specified below:

<u>Effluent Limits</u>	
<u>Effluent Characteristic</u>	<u>Daily Maximum</u>
Chlorides, mg/l	230
Dissolved Iron, µg/l	1000
Dissolved Manganese, µg/l	1755
pH, standard units	6.5 – 9.0
Specific Conductance, micromhos/cm	7500
Total Arsenic, µg/l	150
Total Barium, µg/l	1800
Total Radium 226, pCi/l	60

Note: 1) 'Dissolved' value for metals refers to the amount that will pass through a 0.45 µm membrane filter prior to acidification to 1.5-2.0 with Nitric Acid.

- 2) 'Total' value for metals refers to the total recoverable amount of that metal in the water column.

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

The produced water will originate from the Dietz 1, Dietz 3, Smith, Monarch, and Carney coal seams. The permittee may, if so desired, discharge produced water from any authorized well to any permitted outfall, as long as all permit limits and requirements are met. As originally permitted, this facility consisted of 15 outfalls and 61 wells. The wells authorized to discharge at this facility will also be authorized to discharge at outfalls permitted under two additional CBM facilities which are yet to be permitted, which allows the permittee greater flexibility in meeting permit limits and requirements.

This permit prohibits discharge of effluent from the reservoirs except in the event of a 100-year / 24-hour storm event or greater (3.6 inches of precipitation occurring upstream of the reservoirs within a 24-hour period). If a reservoir overtopping event occurs, verification of storm magnitude will be the responsibility of the permittee. Discharge from reservoir(s) resulting from a 100-year / 24-hour storm event or greater is limited by the permit to natural overtopping and shall not extend beyond a 48 hour period following commencement of natural overtopping. Additional release from reservoir(s) is not authorized. If any effluent discharged from this facility does reach the downstream tributary monitoring point (TRIB1 – see Table 1 in Part 1.b.12 of the permit for location information), this permit requires the permittee to cease all discharge of effluent from the contributing wells until the effluent is no longer reaching the tributary monitoring point(s). Should discharge from any of the 15 reservoirs contribute to flow at the tributary monitoring station on Badger Creek, the permittee is required to notify the WDEQ in writing within 24 hours of the circumstances surrounding the reservoir discharge at the address noted in Part I.A.2.a of the permit. The permittee is also required to collect water quality samples for the constituents listed in Part I.A.2.b (Routine Monitoring, End of Pipe) of the permit during each and every period in which discharges from any of the fifteen reservoirs contribute to flow at the tributary monitoring station (TRIB1). Water quality data related to reservoir discharge contributing to flow at the tributary monitoring station will be submitted to the WDEQ within 30 days of the date of such reservoir discharge occurrence. Any effluent from

this facility that reaches the established tributary monitoring point, except as the direct result of reservoir(s) overtopping during a 100-year / 24-hour storm event or greater, will be considered a violation of this permit and must be corrected by the permittee immediately. This permit does not establish effluent limits that are protective of designated uses associated with the Tongue River (2AB waters).

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.

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

Within 60 days of commencement of discharge, a sample shall be collected from each outfall ***that has not previously been sampled for initial monitoring*** 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 routine monitoring requirements described in Part I.A.2.b. may be modified to require more stringent monitoring.

<b>Parameter*</b> (See notes following the table on chemical states)	<b><u>Required Detection Limits and Required Units</u></b>	<b>Parameter*</b> (See notes following the table on chemical states)
<b>Alkalinity, Total</b>	<b>1 mg/l as CaCO<sub>3</sub></b>	<b>Alkalinity, Total</b>
<b>Aluminum, Dissolved</b>	<b>50 µg/l</b>	<b>Aluminum, Dissolved</b>
<b>Arsenic, Total</b>	<b>1 µg/l</b>	<b>Arsenic, Total</b>
<b>Barium, Total</b>	<b>100 µg/l</b>	<b>Barium, Total</b>
<b>Bicarbonate</b>	<b>10 mg/l</b>	<b>Bicarbonate</b>
<b>Cadmium, Dissolved</b>	<b>5 µg/l</b>	<b>Cadmium, Dissolved</b>
<b>Calcium, Dissolved</b>	<b>50 µg/l, report as mg/l</b>	<b>Calcium, Dissolved</b>
<b>Chlorides</b>	<b>5 mg/l</b>	<b>Chlorides</b>
<b>Copper, Dissolved</b>	<b>10 µg/l</b>	<b>Copper, Dissolved</b>
<b>Dissolved Solids, Total</b>	<b>5 mg/l</b>	<b>Dissolved Solids, Total</b>
<b>Hardness, Total</b>	<b>10 mg/l as CaCO<sub>3</sub></b>	<b>Hardness, Total</b>
<b>Iron, Dissolved</b>	<b>50 µg/l</b>	<b>Iron, Dissolved</b>
<b>Lead, Dissolved</b>	<b>2 µg/l</b>	<b>Lead, Dissolved</b>
<b>Magnesium, Dissolved</b>	<b>100 µg/l, report as mg/l</b>	<b>Magnesium, Dissolved</b>
<b>Manganese, Dissolved</b>	<b>50 µg/l</b>	<b>Manganese, Dissolved</b>
<b>Mercury, Dissolved</b>	<b>1 µg/l</b>	<b>Mercury, Dissolved</b>

<u>Parameter*</u> (See notes following the table on chemical states)	<u>Required Detection Limits and Required Units</u>	<u>Parameter*</u> (See notes following the table on chemical states)
pH	to 0.1 pH unit	pH
Radium 226, Total	0.2 pCi/l	Radium 226, Total
Selenium, Total Recoverable	5 µg/l	Selenium, Total Recoverable
Sodium Adsorption Ratio	Calculated as unadjusted ratio	Sodium Adsorption Ratio
Sodium, Dissolved	100 µg/l, report as mg/l	Sodium, Dissolved
Specific Conductance	5 micromhos/cm	Specific Conductance
Sulfates	10 mg/l	Sulfates
Zinc, Dissolved	50 µg/l	Zinc, Dissolved
Alkalinity, Total	1 mg/l as CaCO <sub>3</sub>	Alkalinity, Total
Aluminum, Dissolved	50 µg/l	Aluminum, Dissolved

**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:** Volume 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  
 1595 Wynkoop Street  
 Denver, CO 80202-1129

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, 007, 008, 010-013)

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>
Chloride	Annually	Grab
Dissolved Iron	Annually	Grab
Dissolved Manganese	Annually	Grab
pH	Once Every Six Months	Grab

<u>Parameter</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Radium 226	Annually	Grab
Specific Conductance	Annually	Grab
Total Arsenic	Annually	Grab
Total Selenium	Annually	Grab
Total Barium	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. Routine Monitoring Within Reservoirs (R007–R08, R010-R011)

For the duration of the permit, at a minimum, samples for the constituents described below shall be collected at the indicated frequencies. Monitoring and reporting will be based on an annual time frame.

<u>Parameter</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Total Dissolved Solids	Annually	Grab
Specific Conductance	Annually	Grab
Total Radium 226	Annually	Grab
Dissolved Iron	Annually	Grab
Dissolved Manganese	Annually	Grab
Total Arsenic	Annually	Grab
Chlorides	Annually	Grab
Total Selenium	Annually	Grab

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): designated reservoir monitoring stations are located within each receiving reservoir as described in Table 1 (R007-R008, R010-R011), located in Part I.B.13 of the following permit. In each reservoir, monitoring locations are to be located a minimum of 50 feet away from the point where CBM effluent enters the reservoir. Reservoir sampling will only apply to reservoirs that are receiving CBM effluent or have received CBM effluent in the past. Results are to be reported annually and if a particular reservoir has not yet received any CBM effluent from this facility, then “no discharge” is to be reported for that reservoir monitoring station in the discharge monitoring report.

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 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. If required, whole effluent toxicity testing (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 is due on February 15, 2009.

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 NPDES 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 at the outlet of each receiving reservoir listed in Table 1 below. This sign shall, at 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 (as identified in this WYPDES permit). In addition, all outfall signs will include the outfall number. Reservoir signs are separate from the outfall signs, and are to be located at the outlet of the reservoir. Reservoir signs must include the information listed in items a and b above, in addition to the reservoir name, as identified in Table 1 below.

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 NPDES 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.

In order for the permit not to be subjected to additional public notice, the location of the established discharge point must be 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

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

SEE TABLE 1 FOR A LIST OF OUTFALLS

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 TRIBUTARY AND RESERVOIR MONITORING STATIONS

Table 1: WY0052485 - Rucki 15 Non-Discharging POD

Out-fall	Qtr/Qtr	SECTION	TWP (N)	RNG (W)	LATITUDE	LONGITUDE	Drainage / Description	Groundwater approval required prior to Discharge?
001	NWSW	32	58	82	44.9593	-106.778	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via an on-channel reservoir "R11-32" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
002	NWSW	32	58	82	44.9567	-106.782	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via an on-channel reservoir "R12-32" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
003	SESE	31	58	82	44.9557	-106.7838	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via an on-channel reservoir "R16-31" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
004	SESW	32	58	82	44.9537	-106.7761	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via an on-channel reservoir "R14-32" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
007	SENE	5	57	82	44.9483	-106.7662	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via an on-channel reservoir "R1-5" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
008	NESE	5	57	82	44.9431	-106.767	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via an on-channel reservoir "R9-5N" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
010	SWSW	4	57	82	44.9408	-106.7615	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via an on-channel reservoir "R13-4" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
011	SWNW	9	57	82	44.9333	-106.761	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via an on-channel reservoir "R5-9" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
012	NENE	28	57	82	44.8916	-106.7433	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via West Fork, Little Badger Creek (3B), via an on-channel reservoir "R1-28" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
013	SWNW	27	57	82	44.89	-106.7396	Tongue River (2AB), via Badger Creek (3B), via Little Badger Creek (3B), via West Fork, Little Badger Creek (3B), via an on-channel reservoir "R8-28" (3B), located on an unnamed, ephemeral tributary (3B)	Yes
R007	SENE	5	57	82	44.9483	-106.7662	Reservoir monitoring station for "R1-5"	N/A
R008	NESE	5	57	82	44.9431	-106.767	Reservoir monitoring station for "R9-5N"	N/A
R010	SWSW	4	57	82	44.9408	-106.7615	Reservoir monitoring station for "R13-4"	N/A
R011	SWNW	9	57	82	44.9333	-106.761	Reservoir monitoring station for "R5-9"	N/A
FM001	NESW	32	58	82	44.9585	-106.7747	Flow monitoring station	N/A
FM002	NENE	5	57	82	44.9496	-106.7656	Flow monitoring station	N/A
FM003	NESE	5	57	82	44.9435	-106.7657	Flow monitoring station	N/A
FM004	SESE	5	57	82	44.9409	-106.7628	Flow monitoring station	N/A
FM005	NWNW	9	57	82	44.9341	-106.7619	Flow monitoring station	N/A
FM006	NWNE	9	57	82	44.935	-106.7509	Flow monitoring station	N/A

Requests for modification of outfall locations as described in the table below 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.

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

The outfalls listed in the above table 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 NPDES 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. Once an impoundment has been granted a written groundwater compliance approval, the contributing outfall(s) to that reservoir may commence discharge.

2. Reclamation Performance Bonds for On-Channel Reservoirs:

Table 1 of the permit above also identifies which outfalls (if any) are designed to discharge into impoundments that are subject to WDEQ bonding requirements, as set forth in the latest version of the Water Quality Division guideline "*Implementation Guidance for Reclamation and Bonding of On-Channel Reservoirs That Store Coalbed Natural Gas Produced Water.*" These specified outfalls are not authorized to discharge until the associated reservoir reclamation bond is approved by WDEQ. Once the reservoir reclamation bond is approved by WDEQ, the contributing outfall(s) to that reservoir may commence discharge.

Any discharge into an above-listed impoundment which has not been secured by the required WDEQ-approved bond, or 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.