

Wyoming Department of Environmental Quality
Water Quality Division
WYPDES Program

STATEMENT OF BASIS

Major Modification

APPLICANT NAME: Pennaco Energy, Inc.

MAILING ADDRESS: 3601 Southern Drive
Gillette, WY 82718

FACILITY LOCATION: Farmland 26 Option 2, which is located in the SWNW and NESW, Section 2, Township 55 North, Range 83 West, and in the SESE, NESE, SWNE, NWSE, SESW, SWSW, and NWSW, Section 22, the SWSE and SESW, Section 23, the SWNE, Section 24, the NWNE, SWNE, SENW, and SESW, Section 25, the SENW and SWSE, Section 35, and the NESW, Section 36, Township 56 North, Range 83 West, Sheridan County. The produced water will be discharged to various named, on-channel reservoirs (3B) located on Eyechaner Draw (3B) and Plum Creek (3B), which are tributary to Dutch Creek (3B), and to unnamed, ephemeral tributaries (3B) of Wildcat Creek (3B) and Wildcat Creek proper. Dutch Creek (3B) and Wildcat Creek (3B) are tributary to the Tongue River (2AB) via Prairie Dog Creek (2AB). The permit establishes three irrigation compliance points, located as described in Table 1, Part I.B.13 of the following permit, on Dutch Creek (3B), and Wildcat Creek (3B), upstream of the nearest downstream irrigation diversion. The permit establishes a total maximum daily flow limit of 1.5 MGD, and requires that the produced water being discharged from this facility originate in one of the following formations: the Dietz 1, Dietz 3, Monarch, and/or the Carney coal seams.

NUMBER: WY0052671

The terms of permit WY0052671 are hereby modified as follows:

- 1. Seven (7) outfalls (013-019) and their associated on-channel reservoirs are added to this permit.*
- 2. Six (6) wells are added to this permit.*
- 3. A third irrigation compliance point (ICP3) is added to this permit.*
- 4. A typographical error is corrected in Part I.a of this permit to indicate that the correct total maximum daily flow limit for this facility is 1.5 MGD.*

With the exception of items explicitly delineated in this major modification, all terms and conditions of permit WY0052671, including Parts II and III of the original permit, shall remain unchanged and in full force and effect.

General Facility Description

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 to enhance 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 class 2 or 3 receiving stream which is eventually tributary to a class 2AB perennial water of the state. The permit establishes effluent limits for the end of pipe, which are protective of all the designated uses defined in Chapter 1 of Wyoming Water Quality Rules and Regulations. 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 permittee has submitted documentation verifying that there is irrigation occurring downstream of this facility on the class 3 streams (Dutch Creek and Wildcat Creek) prior to Prairie Dog Creek, the closest class 2 water. In order to monitor and protect irrigation water quality, this permit establishes three irrigation compliance points. The irrigation compliance points are designated monitoring locations prior to the first downstream points of irrigation diversion/use in Dutch Creek and Wildcat Creek from the permitted facility. Effluent limits associated with the irrigation compliance points - SAR = 6 and EC = 2000 micromhos/cm - were determined from a combination of one or more of the following: technical information submitted by the applicant, published scientific literature, credible water quality data that has been through formally adopted quality control/quality assurance review, and best professional judgement. These limits satisfy provisions under Chapter 1, Section 20 (protection of agricultural water supply) of the Wyoming Water Quality Rules and Regulations.

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 Tongue River except during storm events. During storm events, the effluent will be diluted by the stormwater runoff. The permittee has collected stormwater flow and quality data prior to submittal of their permit application to the WDEQ from the streams in this area. The information collected included water quality and flow data from the ephemeral streams proposed for discharge, collection of evaporation/infiltration data in the streams and on-channel reservoirs proposed for discharge, and anecdotal information from long-time residents of the area. This information, along with established information available from the USGS, was utilized in the mixing analyses and water budgets performed by the permittee.

Impact Analysis

The results of these analyses indicate minimal to no impacts to Dutch Creek, Wildcat Creek, Prairie Dog Creek, and/or Tongue River water quality should the reservoirs overtop and spill in response to a storm event. The data submitted in support of the permit application indicates that although these discharges will result in increases in SAR (from SARs (ranging from 1 to 2.3 to SARDS ranging from 2.3 to 5) and EC (from ECs ranging from 1035 to 2078 $\mu\text{mhos/cm}$ to ECs ranging from 1324 to 2099 $\mu\text{mhos/cm}$) to Prairie Dog Creek, these increases will be infrequent (lowest reoccurrence interval is 1.08 years) and temporary (approximately 3 hours in duration), due to the sporadic and short term nature of storm events in the project area. Although the discharges may potentially temporarily cause increases in Prairie Dog Creek and Tongue River SAR and specific conductance concentrations, the resultant water quality is suitable for irrigation. Especially considering the temporary and sporadic nature of the potential increases in SAR and EC, the potential for decreases in crop production as a result of the proposed discharge is considered to be very

minimal, as decreases in crop production due to sodicity and salinity are the result of long-term, consistent application of saline and/or sodic irrigation water.

The analyses also demonstrate that, based on monthly average SAR and EC calculated utilizing USGS data recorded from the Tongue River station near Decker, Montana, discharges from the reservoirs being utilized to contain CBM produced water will result in at most, a 10 micromoh/cm increase in EC, and a 0.04 increase in SAR in Tongue River water quality for no longer than 28 hours at any one time. Average increases in SAR and EC modeled utilizing stormwater runoff flows and quality for various sizes of storm events are described in the table below:

| All values reported as difference between recorded average ambient and estimated water quality upon | | | | | | | | |
|---|------|-------|--------------------|------|------|--------------------|------|------|
| 2YR/24HR EVENT | | | 5YR/24HR EVENT | | | 10YR/24HR EVENT | | |
| | EC | SAR | | EC | SAR | | EC | SAR |
| January | 6 | 0.02 | January | 8 | 0.03 | January | 8 | 0.04 |
| February | 8 | 0.02 | February | 10 | 0.04 | February | 10 | 0.04 |
| March | 5 | 0.01 | March | 6 | 0.03 | March | 7 | 0.03 |
| April | 5 | 0.01 | April | 6 | 0.02 | April | 7 | 0.02 |
| May | 4 | 0.01 | May | 6 | 0.02 | May | 7 | 0.02 |
| June | 2 | 0.01 | June | 4 | 0.01 | June | 5 | 0.01 |
| July | 4 | 0.01 | July | 7 | 0.02 | July | 7 | 0.02 |
| August | 6 | 0.02 | August | 7 | 0.03 | August | 7 | 0.03 |
| September | 4 | 0.01 | September | 6 | 0.02 | September | 7 | 0.02 |
| October | 5 | 0.02 | October | 7 | 0.03 | October | 7 | 0.03 |
| November | 6 | 0.02 | November | 9 | 0.03 | November | 9 | 0.03 |
| December | 7 | 0.02 | December | 8 | 0.03 | December | 9 | 0.03 |
| Average difference | 5.27 | 0.015 | Average difference | 7.07 | 0.03 | Average difference | 7.42 | 0.03 |

However, in order to provide a measure of safety, the permittee has proposed an extensive network of monitoring locations on Dutch Creek, Wildcat Creek, Prairie Dog Creek, and the Tongue River, located as described in Table 1, Part I.B.13 of the following permit. These stations will serve to monitor any impacts that this facility may have on water quality in Prairie Dog Creek, Dutch Creek, Wildcat Creek, and the Tongue River. Monitoring data collected at these stations during the life of the permit may result in the permit being reopened and new limits being established.

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. Information gathered by the WDEQ indicates a mean channel infiltration loss rate for ephemeral drainages in the Tongue River at 0.1 cfs per mile of stream channel. Review of the permit application reveals that there are approximately 15 miles of stream channel that can be utilized for stream channel infiltration and evaporation losses between the outfalls and the Prairie Dog Creek. The maximum total effluent flow rate from this facility is estimated at 2.32 cfs. In addition, the wells being authorized for discharge at this facility will also be authorized for discharge under other WYPDES permits to allow the permittee to maximize their water management abilities. The permittee has submitted documentation verifying that, when considering the permittee's total reservoir storage for the entire plan of development in the Prairie Dog Creek area, there is sufficient reservoir storage to contain all CBM discharge under "dry" operating conditions. The permittee has committed that effluent shall not reach the Prairie Dog Creek except during storm events. However, in the event that discharge does reach Prairie Dog Creek or the Tongue River, this permit establishes a series of monitoring stations on Dutch Creek, Wildcat Creek, Prairie Dog Creek, and the Tongue River. These stations will function to monitor any effluent flows to Prairie Dog Creek or the Tongue River.

Effluent Limits

Permit effluent limits are based on federal and state regulations and are effective as of the date of issuance. The permit requires that 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 discharge from any permitted outfall. In addition, the permit establishes a dissolved manganese limit of 50 µg/l, a total barium limit of 1800 µg/l, a total arsenic limit of 1.4 µg/l, and a chlorides limit of 46 mg/l. In addition, representative water quality data submitted by the permittee indicates that this facility has the potential to exceed the established dissolved zinc limit for discharges in this drainage. Therefore, the permit establishes a dissolved zinc limit of 33 µg/l, this limit applies to discharge from any permitted outfall. These limits are based on chronic aquatic life standards ("tier two" protection) 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*.

The permit also 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 a total radium²²⁶ limit of 5 pCi/l for outfalls 010, 011, 012, 017, 018, and 019. This limit is based upon information collected by the Division and the distance of the outfalls from a class 2 water. For outfalls greater than two stream miles but less than ten stream miles from a class 2 water, the total radium²²⁶ limit has been determined to be 5 pCi/l. For outfalls greater than ten stream miles from a class 2 water, no total radium²²⁶ is being established in this permit. The total radium²²⁶ and dissolved iron limits being established in this permit reflect the application of standards required for "tier one" protection under *Chapter 1 of the Wyoming Water Quality Rules and Regulations*.

Impact estimates from this discharge were based upon a maximum daily flow of 1.5 million gallons per day (MGD) from this facility, and water quality representative of water quality from the Dietz 1, Dietz 3, Monarch, and Carney coal seams in the surrounding geographical area, therefore, the permit establishes a maximum daily flow limit of 1.5 MGD, to be calculated as the sum of all discharge from all permitted outfalls, 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, and/or Carney coal seams.

Irrigation Protection

In order to monitor and regulate coal bed methane discharge for compliance with Chapter 1, Section 20 (protection of agricultural water supply), effluent limits for sodium adsorption ratio (SAR) and specific conductance are included in this permit. The Wyoming DEQ has determined that an SAR of 6 and a specific conductance of 2000 micromhos/cm are intended to be protective of agriculture use in the Dutch Creek and Wildcat Creek drainages. The specific conductance limit of 2000 micromhos/cm is based on the threshold value for alfalfa which is considered to be the most salt sensitive plant irrigated in northeastern Wyoming (USDA George E. Brown Jr. Salinity Laboratory, Salt Tolerance Database, Grasses and Forage Crops). There was no data available to characterize EC tolerance of alfalfa specific to either the Dutch Creek or Wildcat Creek drainages. The SAR limit of 6 was determined to not reduce the rate of infiltration of irrigated soils in the Dutch Creek and Wildcat Creek drainages, given the specific conductance threshold referenced above as ascertained from Figure 3 (page 44) of *Agricultural Salinity and Drainage*, Hanson et al., 1999 revision. An SAR limit of 6 and specific conductance limit of 2000 micromhos/cm will also maintain the baseline C3-S1 irrigation suitability category for the Prairie Dog Creek drainage (see Figure 25, of Diagnosis

and Improvement of Saline and Alkali Soils, US Dept. of Agricultural Handbook No. 60, 1954). Monitoring will be required for flow volume, calcium, magnesium, sodium, bicarbonate, sodium adsorption ratio and specific conductance when flow is present at an irrigation compliance point(s) at any time during the year. The irrigation compliance points are located as described in Table 1, Part I.B.13 of the following permit, prior to the first downstream irrigation diversions.

The permit requires daily monitoring on Dutch Creek and Wildcat Creek to determine whether water discharged from the outfalls reaches an established irrigation compliance point. Daily monitoring is necessary because the permit establishes different sampling and analysis requirements based on whether the effluent reaches an irrigation compliance point. Once effluent flow at an irrigation compliance point has been documented within a sampling month, then weekly monitoring of flow at the ICP is required for the remainder of that calendar month. At the beginning of each calendar month, the monitoring frequency will revert to daily until such time as effluent flow occurs at the irrigation compliance point and a sample is collected to represent effluent quality for irrigation compliance point constituents. Results are to be reported twice-yearly and if no effluent from this facility reaches an irrigation compliance point during an entire sampling month, then "no discharge" is to be reported for the ICP that month. The irrigation compliance points are to be located as described in Table 1, Part I.B.13 of the following permit.

Water Quality Monitoring Requirements

The permit also requires sampling at designated tributary water quality monitoring stations located on the class 3 tributaries – Dutch Creek and Wildcat Creek, and the class 2AB mainstems – Prairie Dog Creek and the Tongue River. Water quality monitoring stations located on the class 3 tributaries and the class 2 mainstems are to be located as described in Table 1, Part I.B.13 of the following permit. Effluent samples at the designated water quality monitoring stations must be collected on a monthly basis and are to be reported semiannually. 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 applicable water quality monitoring stations when effluent from this CBM facility reaches a tributary water quality monitoring station, identified as either TRIB1 or TRIB2 in Table 1, Part I.B.13 of the following permit, on Dutch Creek and Wildcat Creek. If flow occurs at a tributary water quality monitoring station at any time 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 for the applicable tributary water quality monitoring station. Under such circumstances, sampling is not required at the remaining 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 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 adsorption 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.

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.

General Requirements

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.

Reservoir and/or discharge water is to be released at a rate which does not cause significant erosion to the channel or receiving lands. The permittee has committed to containment of all CBM effluent within a series of on-channel reservoirs. The permittee is required to contain all effluent within the reservoirs, and may not discharge except during periods of time in which stormwater runoff enters the reservoir, causing it to overtop and spill. Should the reservoirs discharge, the permittee will be required to substantiate that the discharge was due to the influx of stormwater runoff.

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 April 30, 2009. This expiration date is the same for other previously-permitted facilities in the Prairie Dog Creek watershed utilizing the same water management strategy as this facility. Having all permits in the drainage expire at the same time will allow for basin-wide analysis of impacts due to these discharges upon renewal of these permits, and will allow the WDEQ to adopt a more holistic, watershed-based permitting approach.

Kathy Shreve
Water Quality Division
Department of Environmental Quality
Drafted: December 14, 2004

Jennifer Zygmunt—Major Modification
Water Quality Division
Department of Environmental Quality
Drafted: August 12, 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,

Pennaco Energy, Inc.

is authorized to discharge from the wastewater treatment facilities serving the

Farmland 26 Option 2,

which is located in the

the SWNW and NESW, Section 2, Township 55 North, Range 83 West, and in the SESE, NESE, SWNE, NWSE, SESW, SWSW, and NWSW, Section 22, the SWSE and SESW, Section 23, the SWNE, Section 24, the NWNE, SWNE, SENW, and SESW, Section 25, the SENW and SWSE, Section 35, and the NESW, Section 36, Township 56 North, Range 83 West, Sheridan County

to receiving waters named

various named, on-channel reservoirs (3B) located on Eyechaner Draw (3B) and Plum Creek (3B), which are tributary to Dutch Creek (3B), and to unnamed, ephemeral tributaries (3B) of Wildcat Creek (3B) and Wildcat Creek proper. Dutch Creek (3B) and Wildcat Creek (3B) are tributary to the Tongue River (2AB) via Prairie Dog Creek (2AB),

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

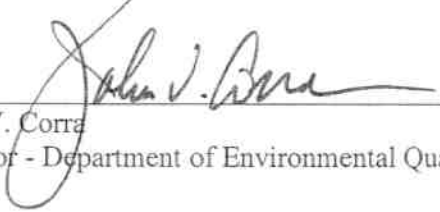
This major modification shall become effective on the date of signature by the Director of the Department of Environmental Quality. **With the exception of items explicitly delineated in this major modification, all terms and conditions of permit WY0052671, including Parts II and III of the original permit, shall remain unchanged and in full force and effect.**

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



John F. Wagner
Administrator - Water Quality

Date 10/31/05



John V. Corra
Director - Department of Environmental Quality

Date 10/31/05

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 outfall(s) serial numbers 001 - 019.

1.a. Discharges from all outfalls are limited as specified below:

| <u>Effluent Characteristic</u> | <u>Effluent Limits</u> | |
|---|------------------------------|---|
| | <u>Daily Maximum Outfall</u> | <u>Daily Maximum Irrigation Compliance Points**</u> |
| Chlorides, mg/l | 46 | |
| Dissolved Iron, µg/l | 1000 | |
| Dissolved Manganese, µg/l | 50 | |
| pH, standard units | 6.5 – 9.0 | |
| Specific Conductance, micromhos/cm | 7500 | 2000 |
| Sulfates, mg/l | 3000 | |
| Total Arsenic, µg/l | 1.4 | |
| Total Barium, µg/l | 1800 | |
| Total Dissolved Solids, mg/l | 5000 | |
| Total Flow, MGD* | 1.5 | |
| Dissolved Zinc, µg/l | 33 | |
| Sodium Adsorption Ratio, calculated as unadjusted ratio | | 6 |

*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 on or more of the following formations: the Dietz 1, Dietz 3, Monarch, and/or Carney coal seams.

**Limits at the irrigation compliance points are in effect whenever produced water from this facility contributes to flow at the irrigation compliance point.

b. Distance-based effluent limits by outfall:

In addition to the limits established in Part I.A.1.a of the permit, the following effluent limits apply to outfalls 010, 011, 012, 017, 018, and 019.

Distance-Based Effluent Limits by Outfall*

| <u>Outfall</u> | <u>Distance to Nearest Class 2 Stream</u> | <u>Total Radium 226, pCi/l</u> |
|----------------|---|--------------------------------|
| 010 | 8.2 | 5 |
| 011 | 7.9 | 5 |
| 012 | 8.5 | 5 |
| 017 | 4.8 | 5 |

| | | |
|-----|-----|---|
| 018 | 4.0 | 5 |
| 019 | 4.3 | 5 |

*Outfalls not listed on the table above have no effluent limitations for total radium ²²⁶.

c. Limitations and Requirements Effective at All Outfalls:

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, contained 8 outfalls and 101 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.

Reservoir and/or discharge water is to be released at a rate which does not cause significant erosion to the channel or receiving lands. The permittee has committed to containment of all CBM effluent within a series of on-channel reservoirs. The permittee is required to contain all effluent within the reservoirs, and may not discharge except during periods of time in which stormwater runoff enters the reservoir, causing it to overflow and spill. Should the reservoirs discharge, the permittee will be required to substantiate that the discharge was due to the influx of stormwater runoff.

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 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 (mg/l) | 1 mg/l as CaCO ₃ |
| Aluminum, Total Recoverable (µg/l) | 50 µg/l |
| Arsenic, Total (µg/l) | 1 µg/l |
| Barium, Total (µg/l) | 100 µg/l |
| Bicarbonate (mg/l) | 10 mg/l |
| Cadmium, Dissolved (µg/l) | 5 µg/l |
| Calcium, Dissolved | 50 µg/l, report as me/l |
| Calcium, Dissolved | 50 µg/l, report as mg/l |
| Chlorides (mg/l) | 5 mg/l |
| Copper, Dissolved (µg/l) | 10 µg/l |
| Dissolved Solids, Total (mg/l) | 5 mg/l |
| Hardness, Total (mg/l) | 10 mg/l as CaCO ₃ |
| Iron, Dissolved (µg/l) | 50 µg/l |
| Lead, Dissolved (µg/l) | 2 µg/l |
| Magnesium, Dissolved | 100 µg/l, report as me/l |
| Magnesium, Dissolved | 100 µg/l, report as mg/l |
| Manganese, Dissolved (µg/l) | 50 µg/l |
| Mercury, Dissolved (µg/l) | 1 µg/l |
| pH (s. u.) | to 0.1 pH unit |
| Radium 226, Total (pCi/l) | 0.2 pCi/l |
| Selenium, Total Recoverable (µg/l) | 5 µg/l |
| Sodium Adsorption Ratio (calculated as unadjusted 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 (micromhos/cm) | 5 micromhos/cm |
| Sulfates (mg/l) | 10 mg/l |
| Zinc, Dissolved (µg/l) | 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: 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
 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 – 001-019

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) | Monthly | Grab |
| Dissolved Calcium (mg/l) | Monthly | Grab |
| Dissolved Calcium (me/l) | Monthly | 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 (s. u.) | Once Every Six Months | Grab |
| Dissolved Sodium (mg/l) | Monthly | Grab |
| Dissolved Sodium (me/l) | Monthly | Grab |
| Sodium Adsorption Ratio (unadusted ratio) | Monthly | Calculated |
| Specific Conductance (micromohs/cm) | Monthly | Grab |

| <u>Parameter</u> | <u>Measurement Frequency</u> | <u>Sample Type</u> |
|---|------------------------------|--------------------|
| Sulfate (mg/l) | Annually | Grab |
| Total Alkalinity (mg/l as CaCO ₃) | Monthly | Grab |
| Total Arsenic (µg/l) | Annually | Grab |
| Total Barium (µg/l) | Annually | Grab |
| Total Flow - (MGD) | Monthly | Continuous |
| Dissolved Zinc (µg/l) | Annually | Grab |

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 End of Pipe – constituents and requirements applicable only to outfalls 010, 011, 012, 017, 018, and 019:

In addition to the routine monitoring requirements and constituents as described in Part I.A.2.c of the permit above, the following constituent shall be included in the list of routine monitoring constituents for outfalls 010, 011, 012, 017, 018, and 019. All limitations regarding routine monitoring, sampling and reporting apply as described in Part I.A.2.c for this additional constituent.

| <u>Parameter</u> | <u>Measurement Frequency</u> | <u>Sample Type</u> |
|--------------------------|------------------------------|--------------------|
| Total Radium 226 (pCi/l) | Annually | Grab |

d. Irrigation Compliance Points – ICP1, ICP2, ICP3

For the duration of the permit, at a minimum, samples for the constituents described below shall be collected at the indicated frequencies when water discharged from any permitted outfall reaches any irrigation compliance point. Irrigation compliance point limits and requirements are in effect year-round due to the large amount of irrigation taking place on Prairie Dog Creek, and the potential for this discharge to impact irrigation water quality.

| <u>Parameter</u> | <u>Measurement Frequency</u> | <u>Sample Type</u> |
|----------------------------|------------------------------|--------------------|
| Bicarbonate (mg/l) | Monthly | Grab |
| Dissolved Calcium (mg/l) | Monthly | Grab |
| Dissolved Calcium (me/l) | Monthly | Grab |
| Dissolved Magnesium (mg/l) | Monthly | Grab |

| <u>Parameter</u> | <u>Measurement Frequency</u> | <u>Sample Type</u> |
|---|------------------------------|--------------------|
| 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 |
| Total Flow - (MGD) | Monthly | Instantaneous |

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location: at the irrigation compliance points which are located as described in Table 1, Part I.B.13, prior to the first downstream irrigation diversions on Dutch Creek and Wildcat Creek.

The permit requires daily monitoring on Dutch Creek and Wildcat Creek to determine whether water discharged from the outfalls reaches an established irrigation compliance point. Daily monitoring is necessary because the permit establishes different sampling and analysis requirements based on whether the effluent reaches an irrigation compliance point. Once effluent flow at an irrigation compliance point has been documented within a sampling month, then weekly monitoring of flow at the ICP is required for the remainder of that calendar month. At the beginning of each calendar month, the monitoring frequency will revert to daily until such time as effluent flow occurs at the irrigation compliance point and a sample is collected to represent effluent quality for irrigation compliance point constituents. Results are to be reported twice-yearly and if no effluent from this facility reaches an irrigation compliance point during an entire sampling month, then "no discharge" is to be reported for the ICP that month. The irrigation compliance points are to be located as described in Table 1, Part I.B.13 of the following permit.

d. Water Quality Monitoring Stations – TRIB1, TRIB2, UPDC, DPDC, UTR, and DTR

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> |
|----------------------------|------------------------------|--------------------|
| Bicarbonate (mg/l) | Monthly | Grab |
| Dissolved Calcium (mg/l) | Monthly | Grab |
| Dissolved Calcium (me/l) | Monthly | Grab |
| Dissolved Magnesium (mg/l) | Monthly | Grab |

| <u>Parameter</u> | <u>Measurement Frequency</u> | <u>Sample Type</u> |
|--|------------------------------|--------------------|
| 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 (million gallons per day)* | Monthly | Instantaneous |

*Flow measurement is not required for the mainstem monitoring stations located on the Tongue River and Prairie Dog Creek, identified as UTR, DTR, UPDC, and DPDC in Table 1, Part I.B.13 of the following permit. The permittee is only required to monitor and report flow at the tributary monitoring stations located on Dutch Creek and Wildcat Creek, identified as TRIB1 and TRIB2 in Table 1, Part I.B.13 of the permit.

In this case, the Dutch Creek irrigation compliance point located near the confluence of Dutch Creek and Prairie Dog Creek. Due to the location of the irrigation compliance point, the WDEQ has determined that the Dutch Creek irrigation compliance point will also function as the Dutch Creek tributary water quality monitoring station location. Water quality data collected at the irrigation compliance point will be utilized by the WDEQ to analyze and evaluate impacts related to this facility's discharge from Dutch Creek on Prairie Dog Creek.

The permit also requires sampling at designated tributary water quality monitoring stations located on the class 3 tributaries – Dutch Creek and Wildcat Creek, and the class 2AB mainstems – Prairie Dog Creek and the Tongue River. The tributary and mainstem water quality monitoring stations are located as described in Table 1, Part I.B.13 of the permit. Effluent samples at the designated water quality monitoring stations must be collected on a monthly basis and are to be reported semiannually. 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 applicable water quality monitoring stations when effluent from this CBM facility reaches a tributary water quality monitoring station, identified as either TRIB1 or TRIB2 in Table 1, Part I.B.13 of the following permit, on Dutch Creek and Wildcat Creek. If flow occurs at a tributary water quality monitoring station at any time 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 for the applicable tributary water quality monitoring station. Under such circumstances, sampling is not required at the remaining 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 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. Results are to be reported semiannually. Information gathered from the water quality monitoring stations may result in modification of the permit to protect existing uses on the tributary and mainstem.

Water quality monitoring stations located on class 2 drainages are to be located in the main channels of the applicable drainage, and are to be located outside the mixing zone of the tributary with the 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 issuance of this modification is due on February 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.

