

Wyoming Department of Environmental Quality
Water Quality Division
WYPDES Program

STATEMENT OF BASIS

Major Modification

APPLICANT NAME: Nance Petroleum Corporation

MAILING ADDRESS: 550 N 31st Street, Suite 500
Billings, MT 59103

FACILITY LOCATION: River 1 POD, which is located in the NWNW, SENW, SESW, and the NESW, Section 9, the SESW and NWNW, Section 15, the SESW, Section 16, the NWNE, Section 21, the SWNW, Section 29, and the SWNE of Section 30, Township 57 North, Range 76 West, Sheridan and Campbell Counties. The produced water will be discharged to 10 man-made, off-channel containment units (4C), located within, but not tributary to, the Powder River (2ABWW). The permit requires that the produced water being discharged from this facility originate in one or more of the following formations – the Cook and Wall coal seams.

NUMBER: WY0053830

This permit major modification has been revised from the draft originally advertised in the March 17, 2006 public notice. The effluent limit for dissolved fluoride will not be added to this permit through this major modification. The permittee will, however, be required to sample for dissolved fluoride during initial monitoring. Based on the results of initial monitoring, the WDEQ may establish a dissolved fluoride limit for this permit.

The terms of permit WY0053830 are hereby modified as follows:

- 1. One outfall, 010, and its associated off-channel containment unit (P57-76-30-03) are added to this permit.*
- 2. Dissolved fluoride is added to the initial monitoring constituent list..*

With the exception of items explicitly delineated in this major modification, all terms and conditions of WY0053830, 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 judgment 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 1A of the coal bed methane permitting options. Under this permitting option, the produced water is immediately discharged to a confined, off channel pit, stock pond or other man made containment unit (class 4C water) that will not flow into any other waters of the state. The permittee has demonstrated through a water balance study that, considering CBM well inflow, natural precipitation, evaporation and infiltration, the off channel containment unit will be adequate to contain all CBM discharge water and stormwater up to a 100 year 24 hour event. In addition, the permittee has committed to the complete containment of all discharged water. The permit establishes effluent limits for the end of pipe, which are protective of recreation, agriculture, industry, scenic value, and livestock and wildlife watering. This permit represents a change in permit coverage from a notice of intent (NOI) issued under the *WDEQ's General Permit for Off-Channel Containment Units* to coverage under an individual WYPDES permit.

Effluent Limits

Permit effluent limits are based on 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), sulfates (3,000 mg/l), chlorides (2,000 mg/l), and specific conductance (7,500 micromhos/cm) are included to protect for livestock and wildlife watering. These limits are based upon *Wyoming Water Quality Rules and Regulations, Chapters 1 and 2* and apply to discharge from any permitted outfall. Based upon the results of the initial monitoring, this permit may be reopened and more stringent limits and/or monitoring and reporting required.

Monitoring and Reporting

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

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 June 30, 2008. This expiration date was determined through review of the watershed permitting schedule which the WDEQ is implementing in order to synchronize the permitting and expiration of facilities within the same watershed. This holistic approach will provide for more efficient permitting of point-source discharges.

Bob Alexander
Water Quality Division
Department of Environmental Quality
Drafted: October 4, 2005

Major Modification: Jennifer Zygmunt
Water Quality Division
Department of Environmental Quality
Drafted: March 3, 2006
Revised: March 29, 2006

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,

Nance Petroleum Corporation

is authorized to discharge from the wastewater treatment facilities serving the

River 1 POD

located in the

the NWNW, SENW, SESW, and the NESW, Section 9, the SESW and NWNW, Section 15, the SESW, Section 16, the NWE, Section 21, the SWNW, Section 29, and the SWNE of Section 30, Township 57 North, Range 76 West, Sheridan and Campbell Counties,

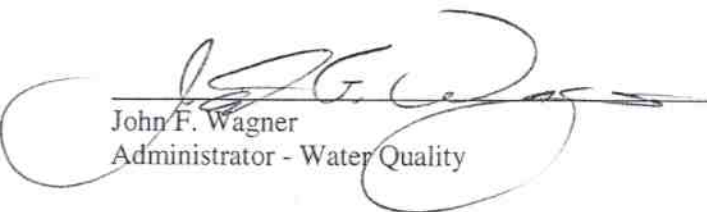
to receiving waters named

ten man-made, off-channel containment units (4C), located within, but not tributary to, 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 WY0053830, 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 June 30, 2008, at midnight.


John F. Wagner
Administrator - Water Quality

8/7/06
Date


John V. Corra
Director - Department of Environmental Quality

8/7/06
Date

PART IA. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

Effective immediately and lasting through June 30, 2008, 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 001-010.

1.a Effluent Limits: The quality of the effluent discharged by this facility shall, at a minimum, meet the limitations set forth below at the end of pipe.

Effluent Limits

<u>Effluent Characteristic</u>	<u>Daily Maximum</u>
Chlorides, mg/l	2000
pH, standard units	6.5 – 9.0
Specific Conductance, micromhos/cm	7500
Sulfates, mg/l	3000
Total Dissolved Solids, mg/l	5000

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. As modified, this facility consisted of 10 outfalls and 68 wells. The produced water being discharged at this facility will originate from the Cook and Wall coal seams.

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.

Produced water is to be released at a rate which does not cause significant erosion to the channel or receiving lands. 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. Intentional discharge from the off-channel reservoirs being utilized for produced water containment at this facility is not allowed except during those periods of time that a precipitation event equal to or greater than a 100 year, 24 hour storm event causes the reservoirs to fill and overtop, and discharges under such circumstances will be limited to natural overtopping only. In the event of discharge from the reservoirs, it shall be the permittee's responsibility to demonstrate whether or not the discharge was related to a 100 year, 24 hour storm event. Discharges from the reservoirs not directly related to a 100 year, 24 hour storm event will be considered a violation of this permit.

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.

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 all constituents specified below, at the required detection limits. Within 120 days of commencement of discharge, a summary report, including copies of the laboratory analysis reports, 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 constituents specified below. 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.

<u>Parameter*</u> (See notes following the table on chemical states)	<u>Required Detection Limits and Required Units</u>
Alkalinity, Total	1 mg/l as CaCO ₃
Aluminum, Total Recoverable	50 µg/l
Arsenic, Total	1 µg/l
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
Fluoride, Dissolved	100 µg/l
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

<u>Parameter*</u> (See notes following the table on chemical states)	<u>Required Detection Limits and Required Units</u>
pH	to 0.1 pH unit
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: 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 – 001-010

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 (mg/l)	Annually	Grab
pH (standard units)	Once Every Six Months	Grab
Specific Conductance (micromohs/cm)	Once Every Six Months	Grab
Sulfate (mg/l)	Annually	Grab
Total Alkalinity (mg/l)	Once Every Six Months	Grab
Total Arsenic (μ g/l)	Annually	Grab
Total Flow - (MGD)	Monthly	Continuous
Total Dissolved Solids (mg/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. Containment Unit Monitoring – CU001-CU010

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 semi-annual time frames, from January through June, and from July through December.

<u>Parameter</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Specific Conductance (micromohs/cm)	Once Every Six Months	Grab
Total Arsenic (μ g/l)	Annually	Grab
Total Recoverable Selenium (μ g/l)	Annually	Grab
Chlorides (mg/l)	Annually	Grab
Total Dissolved Solids (mg/l)	Annually	Grab
Sulfate (mg/l)	Annually	Grab
pH (standard units)	Once Every Six Months	Grab

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): within the individual containment units, outside of the mixing zone of the outfall and the containment unit, at least 100 feet from the location that the discharge enters the containment unit. See Part I.B.12 of the permit for additional information regarding containment unit locations.

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 and submitted with a copy of the laboratory analysis report for each outfall, clearly marked with permit and outfall numbers, 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 containment unit 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 the issuance of this modification is due on February 15, 2007.

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.

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 and Containment Unit Monitoring Locations

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

SEE TABLE 1 FOR A LIST OF OUTFALL AND CONTAINMENT UNIT MONITORING LOCATIONS

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.

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 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 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 WDQ.

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.

TABLE 1: OUTFALL AND CONTAINMENT UNIT LOCATION INFORMATION								
Outfall #	Qtr/Qtr	Section	Township	Range	Latitude	Longitude	Reservoir name	Groundwater approval required before discharge?
001	NWNW	9	57	76	44.944497	106.019815	P57-76-09-04	Yes
002	SEnw	9	57	76	44.939449	106.013895	P57-76-09-06	Yes
003	SESW	9	57	76	44.935745	106.015364	P57-76-09-14	Yes
004	NESW	9	57	76	44.936544	106.015595	P57-76-09-11	Yes
005	SESW	15	57	76	44.917758	106.993281	P57-76-15-14	Yes
006	NWNE	21	57	76	44.915429	106.008810	P57-76-21-02	Yes
007	SWNW	29	57	76	44.896905	106.042734	P57-76-29-05	Yes
008	SESW	16	57	76	44.917527	106.009974	P57-76-16-15	Yes
009	NWNW	15	57	76	44.939941	106.996672	P57-76-15-03	Yes
010	SWNE	30	57	76	44.897412	106.053216	P57-76-30-03	Yes
Containment Units								
CU001	NWNW	9	57	76	44.944497	106.019815	P57-76-09-04	
CU002	SEnw	9	57	76	44.939449	106.013895	P57-76-09-06	
CU003	SESW	9	57	76	44.935745	106.015364	P57-76-09-14	
CU004	NESW	9	57	76	44.936544	106.015595	P57-76-09-11	
CU005	SESW	15	57	76	44.917758	106.993281	P57-76-15-14	

CU006	NWNE	21	57	76	44.915429	106.008810	P57-76-21-02	
CU007	SWNW	29	57	76	44.896905	106.042734	P57-76-29-05	
CU008	SESW	16	57	76	44.917527	106.009974	P57-76-16-15	
CU009	NWNW	15	57	76	44.939941	106.996672	P57-76-15-03	
CU010	SESW	15	57	76	44.917758	106.993281	P57-76-15-14	

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.