EXHIBIT 4
DATE 2.9.05
HB 491

FIDELITY
Exploration & Production Company

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JUN 28 2004
MT DEPT. OF ENV. QUALITY
PERMITTING & COMPLIANCE DIV.

June 25, 2004

State of Montana
Department of Environmental Quality
Permitting & Compliance Division
1520 E. Sixth Avenue
P.O. Box 200901
Helena, MT 59620-0901

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JUN 30 2004
SHERWOOD

Attn.: Mr. James Lloyd

RE: **Amendment/Supplement to Permit Renewal Application**
MPDES Discharge Permit No. MT-0030457
Tongue River Project
Big Horn County, Montana

Dear Jim:

In response to the Montana Department of Environmental Quality (MDEQ) Request for Additional Information, dated December 24, 2003, Fidelity Exploration & Production Company (Fidelity) is providing an updated application (Application Form 2C) and associated technical information in support of our MPDES permit (MT-0030457) renewal application.

Fidelity would like to meet with MDEQ staff, at your earliest convenience, to review this updated application and associated technical information, and the previously submitted Tongue River modeling report and documentation. Fidelity and its contractors will provide an in-depth review of the modeling report and demonstrate the use of the Tongue River model. I will contact you in the near future to set up a tentative date for this meeting.

If you have any immediate questions regarding this renewal application or our supporting technical information, please contact me in Denver at 303-893-3133, Ext. 255.

Yours truly,

Michael L. Bergstrom

Michael L. Bergstrom, P.E., P.G.
Environmental Manager

Cc: Bruce Williams
Tom Mackey
Greg Petruska

1700 Lincoln, Suite 4600 ★ Denver, Colorado 80203
Phone: 303.893.3133 ★ Fax: 303.893.1964

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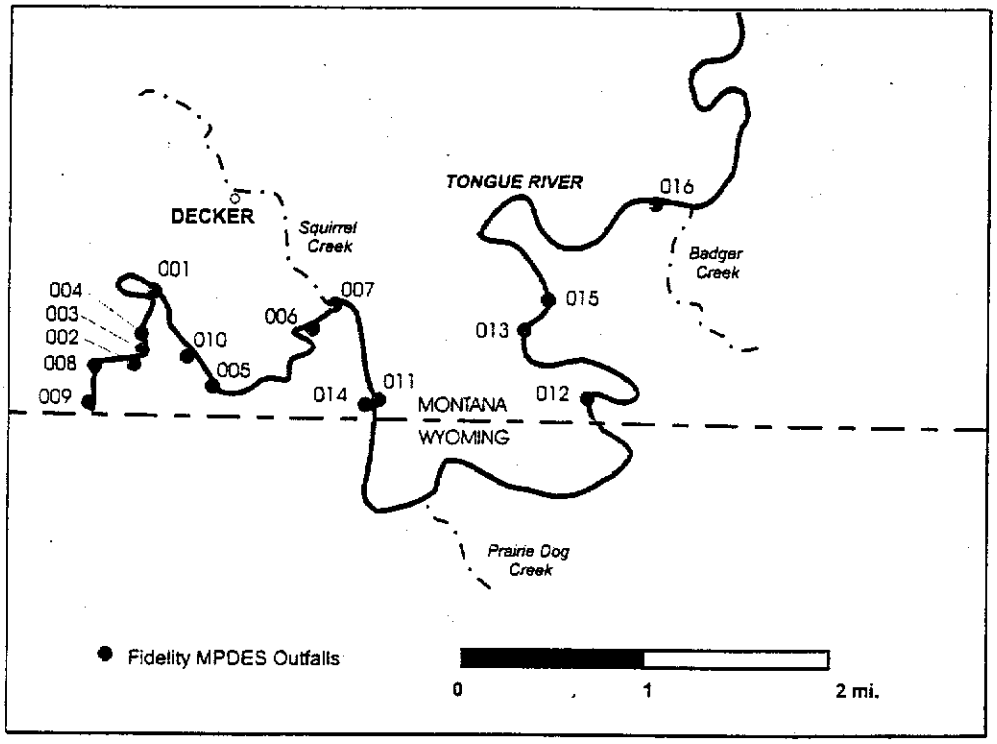
FIDELITY EXPLORATION & PRODUCTION COMPANY
TONGUE RIVER PROJECT
MPDES RENEWAL APPLICATION
MT-0030457

Fidelity Exploration & Production Company's (Fidelity) MPDES permit (MT-0030457) authorizes Fidelity to discharge up to 1600 gallons per minute (gpm) of unaltered groundwater produced by Coal Bed Natural Gas (CBNG) wells to the Tongue River near Decker, Montana. The produced water is discharged through sixteen outfalls located over a 9-mile reach of the Tongue River from the first crossing of the Montana state line from Wyoming to just above the Tongue River Reservoir (Figure 1).

FIGURE 1. OUTFALL LOCATIONS



This submittal provides supporting information for renewal of Fidelity's MPDES Permit MT-0030457. An updated MPDES form 2C is included as an insert to this binder. An expanded discussion is also included on the projected produced water discharge rates and

Form Approved OMB No. 2040-0086 Approval Expires 8/31/98

Please type or print in the unshaded areas only

EPA ID Number (copy from Item 1 of Form 1)

Form 2C NPDES

EPA

U.S. ENVIRONMENTAL PROTECTION AGENCY
APPLICATION FOR PERMIT TO DISCHARGE WASTEWATER
EXISTING MANUFACTURING, COMMERCIAL, MINING, AND SILVICULTURAL OPERATIONS
Consolidated Permits Program

I. Outfall Location

For each outfall, list the latitude and longitude, and the name of the receiving water.

A. Outfall Number (*list*)	B. Latitude (N) Deg	Min	Sec	C. Longitude (W) Deg	Min	Sec	D. Receiving Water (*name*)
001	45°	0'	16.527"	106°	52'	18.761"	Tongue River
002	44°	59'	57.252"	106°	52'	27.082"	Tongue River
003	45°	0'	0.987"	106°	52'	22.543"	Tongue River
004	45°	0'	6.895"	106°	52'	25.284"	Tongue River
005	44°	59'	54.063"	106°	51'	58.328"	Tongue River
006	45°	0'	8.994"	106°	51'	16.113"	Tongue River
007	45°	0'	14.614"	106°	51'	9.458"	Tongue River
008	44°	59'	55.131"	106°	52'	46.093"	Tongue River
009	44°	59'	45.940"	106°	52'	47.284"	Tongue River
010	45°	0'	1.647"	106°	52'	9.140"	Tongue River
011	44°	59'	46.813"	106°	50'	51.658"	Tongue River
012	44°	59'	49.609"	106°	49'	25.549"	Tongue River
013	45°	0'	9.496"	106°	49'	50.358"	Tongue River
014	44°	59'	48.738"	106°	50'	49.855"	Tongue River
~~015~~	~~45°~~	~~0'~~	~~17.812"~~	~~106°~~	~~49'~~	~~40.491"~~	Outfall to be eliminated pending approval of treated water MPDES 001
016	45°	0'	46.074"	106°	49'	7.635"	Tongue River

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II. Flows, Sources of Pollution, and Treatment Technologies

A. Attach a line drawing showing the water flow through the facility. Indicate sources of intake water, operations contributing wastewater to the effluent, and treatment units labeled to correspond to the more detailed descriptions in Item B. Construct a water balance on the line drawing by showing average flows between intakes, operations, treatment units, and outfalls. If a water balance cannot be determined (*e.g., for certain mining activities*), provide a pictorial description of the nature and amount of any sources of water and any collection or treatment measures.

B. For each outfall, provide a description of (1) All operations contributing wastewater to the effluent, including process wastewater, sanitary wastewater, cooling water, and stormwater runoff; (2) The average flow contributed by each operation; and (3) The treatment received by the wastewater. Continue on additional sheets if necessary.

1. Outfall Number (*list*)	2. Operation(s) Contributing Flow (*list*) a. Operation (*list*)	b. Average Flow (*include units*)	3. Treatment a. Description	b. List Codes from Table 2C-1
001	Produced water from coalbed natural gas production	10 -100 gpm	untreated CBNG groundwater	
002	Produced water from coalbed natural gas production	10 -50 gpm	untreated CBNG groundwater	
003	Produced water from coalbed natural gas production	10 -50 gpm	untreated CBNG groundwater	
004	Produced water from coalbed natural gas production	200 - 500 gpm	untreated CBNG groundwater	
005	Produced water from coalbed natural gas production	10 -100 gpm	untreated CBNG groundwater	
006	Produced water from coalbed natural gas production	10-500 gpm	untreated CBNG groundwater	
007	Produced water from coalbed natural gas production	10 -200 gpm	untreated CBNG groundwater	
008	Produced water from coalbed natural gas production	10 -150 gpm	untreated CBNG groundwater	
009	Produced water from coalbed natural gas production	10-500 gpm	untreated CBNG groundwater	
010	Produced water from coalbed natural gas production	10 -50 gpm	untreated CBNG groundwater	
011	Produced water from coalbed natural gas production	10 -150 gpm	untreated CBNG groundwater	
012	Produced water from coalbed natural gas production	10 -200 gpm	untreated CBNG groundwater	
013	Produced water from coalbed natural gas production	10 -150 gpm	untreated CBNG groundwater	
014	Produced water from coalbed natural gas production	10 -150 gpm	untreated CBNG groundwater	
015	Produced water from coalbed natural gas production	—	This outfall to be eliminated pending approval of treated water MPDES permit Outfall 001. Untreated process water at this outfall will be routed to 016	
016	Produced water from coalbed natural gas production	0-2000 gpm	untreated CBNG groundwater	

DMR WATER QUALITY DATABASE

Sample #	Sample Date	Field pH	Field EC	Field Temp	Field DO	Lab EC	TDS	TSS	Chloride	Fluoride	Ammonia N	Ca	Mg	Na	SAR	Radium 226	PA (as CaCO3)	Fe (tot)
		s.u.	umhos/cm	deg. C	mg/L	umhos/cm	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L		pCi/L	mg/L	mg/L
012	02-Dec-02	8.2	2150	16.8	2	2060	1420	< 5	17.5	1.54	2.23	5.8	2.3	539	48.4	0.24	< 0.05	0.06
012	06-Jan-03	7.9	2150	18	1.3	2070	1350	< 5			1.94	5.5	1.8	541	51.4		< 0.05	0.07
012	04-Feb-03	7.9	2260	14.9	0.3	2070	1370	< 5			1.88	5	2	559	53.7		< 0.05	0.07
012	03-Mar-03	8	2110	13.2	0.2	2000	1340	< 5	17	1.83	2.02	5	2.2	515	48.3	< 0.2	< 0.05	0.08
012	10-Apr-03	7.8	2070	19.7	2.1	1930	1260	< 5			1.59	5	1.5	560	57.5		< 0.05	0.11
012	14-May-03	8	2150	19.7	0.1	2000	1340	< 5			1.85	3.4	1.5	591	67.2		< 0.05	0.11
012	10-Jun-03	7.8	2120	19.7	2.9	2110	1300	6	20	3.37	1.94	3.4	1.3	563	65.8	0.2	< 0.05	0.08
012	07-Jul-03	7.9	2100	20.9	0.1	2030	1270	11			2.22	3.7	1.5	521	57.7		0.08	0.77
012	02-Aug-03	7.9	2120	20.3	0.2	2150	1260	< 5			2.16	2.9	1.2	531	66.2		< 0.05	0.27
012	02-Sep-03	7.9	2130	19.3	0.1	2060	1250	< 5	20	2.71	2.06	2.9	1.4	541	65.3	< 0.2	< 0.05	0.33
012	14-Oct-03	8.1	2210	18.7	0.4	2070	1300	< 5			2.21	3	1.3	546	66.3		< 0.05	0.13
012	04-Nov-03	7.8	2180	15.4	0.4	2080	1350	< 5			2.09	4.2	1.6	528	55.6		< 0.05	0.15
012	02-Dec-03	8	2000	14.1	2	1870	1150	< 5	21	3.59	1.61	3.5	1.1	481	57.5	< 0.2	< 0.05	0.22
013	10-Aug-01	7.7	1994	19.6	1.9	1930	1330	< 5			1.7	5.8	3	527	44.1		< 0.05	0.06
013	05-Sep-01	5.6	3100	18.8	1.5	2260	1480	< 5	12.1	1.75	2.24	5.7	2.7	535	46.5	0.4	< 0.05	0.07
013	15-Oct-01	8	2150	16.8	0.9	2180	1410	< 5			1.64	5.8	2.5	527	45.8		< 0.05	0.09
013	05-Nov-01	8	2170	18.1	2.5	2160	1410	< 5			2	4.8	1.9	495	48.1		< 0.05	0.08
013	03-Dec-01	8	2260	18.2	2.5	2150	1410	< 5	17.1	1.93	1.61	4.9	2.2	534	50.7	0.2	< 0.05	0.07
013	06-Jan-02	8	2130	15.2	2.6	1990	1280	< 5			1.74	5	1.4	538	54.4		< 0.05	0.11
013	04-Feb-02	8.1	2230	17.6	3.4	2420	1480	< 5			2.15	6.2	2.9	601	49.9		< 0.05	0.08
013	04-Mar-02	8.3	2300	17.5	1.9	2380	1450	8	12	2.73	2.23	5.7	2.5	622	54.7	0.6	< 0.05	0.1
013	04-Apr-02	8.3	2230	17.5	2.3	2250	1320	< 5			1.83	4.1	1.5	563	61.2		< 0.05	0.03
013	13-May-02	8.3	2180	20.7	1.8	2200	1400	< 5			2	5	1.8	556	54.1		< 0.05	0.07
013	03-Jun-02	8.2	2260	18.5	2.6	2220	1410	< 5	17.2	2.93	2.1	4.3	1.8	557	57.1	< 0.3	< 0.05	0.05
013	01-Jul-02	7.9	2220	20.6	1.4	2170	1370	< 5			1.81	5.8	1.8	554	52		< 0.05	0.09
013	05-Aug-02	8	2220	19.2	1.9	2190	1390	< 5			2.06	4.7	1.8	561	56.3		0.06	0.06
013	11-Sep-02	8.1	2150	21	1.4	2160	1360	< 5	17.9	1.85	1.96	5.7	1.9	534	49.5	0.83	< 0.05	0.1
013	07-Oct-02	8.2	2150	20.8	1.7	2070	1320	< 5			1.9	5.6	1.9	530	49.1		< 0.05	0.08
013	11-Nov-02	8.3	2150	19.6	1.9	2010	1330	< 5			1.8	4.8	1.8	517	50.9		< 0.05	0.08
013	02-Dec-02	8.4	2080	19.6	2	2190	1500	< 5	13.4	1.53	2.25	5.9	2.4	552	48.5	< 0.2	< 0.05	0.12
013	06-Jan-03	8	2160	18.7	1.7	2090	1340	< 5			1.74	5.2	1.8	540	51.9		< 0.05	0.07
013	04-Feb-03	8.1	2200	17.2	1.8	2040	1340	< 5			1.86	5	1.7	557	54.9		< 0.05	0.07
013	03-Mar-03	8.1	2230	16.6	2.8	2150	1430	< 5	14	1.72	1.77	4.9	1.8	509	50.1	< 0.2	< 0.05	0.12
013	10-Apr-03	7.9	2170	20.6	1.3	2010	1320	< 5			1.78	4.6	1.2	571	61.2		< 0.05	0.11
013	14-May-03	7.9	2150	21.3	1.7	2020	1330	< 5			1.9	3.9	1.5	578	63		< 0.05	0.08
013	10-Jun-03	7.8	2450	16.7	0.2	2110	1310	< 5	20	3.37	2.05	4.1	1.7	569	59.6	< 0.2	< 0.05	0.09
013	07-Jul-03	7.8	2120	20.6	0.1	2030	1270	< 5			2.08	3.6	1.4	547	62		< 0.05	0.1
013	02-Aug-03	7.9	2240	19.9	0.1	2270	1330	< 5			2.39	3.3	1.6	551	62.3		< 0.05	0.15
013	02-Sep-03	7.9	2140	20.6	0.1	2070	1260	< 5	18	3.02	1.72	2.6	1.2	524	67.4	< 0.2	< 0.05	0.1
013	14-Oct-03	8	2220	16	0.1	2070	1290	< 5			2.28	3.1	1.5	546	63.7		< 0.05	0.08
013	04-Nov-03	7.8	2130	16.6	0.2	2070	1330	< 5			2.06	3.9	1.5	517	56.4		< 0.05	0.08
013	02-Dec-03	7.8	2300	17.7	0.1	2050	1290	< 5	16	2.8	1.85	4.1	1.8	535	55.4	0.4	< 0.05	0.09
014	15-Aug-03	7.8	2200	21.3		2390	1330	12	20.6	1.67	1.4	5.3	1.7	550	53.5	< 0.2	< 0.05	1.13
014	02-Sep-03	8.1	2060	19.4	1.4	1980	1140	< 5	21	2.6	1.96	3.6	1.9	516	54.7	< 0.2	< 0.05	0.43
014	14-Oct-03	8.2	2040	15.6	0.5	1910	1230	9			2.13	2.5	1.2	514	66.9		< 0.05	0.44
014	04-Nov-03	7.8	2000	14.7	0.3	1930	1220	31			1.87	4.1	1.3	487	53.7		< 0.05	0.8
014	02-Dec-03	7.9	2100	16.9	0.6	2040	1260	10	21	3.48	1.63	3.7	1.1	526	61.7	< 0.2	< 0.05	1.09
015	04-Nov-03	8.2	2570	16.5	0.9	2500	1690	< 5	26	2.58	2.21	5.5	2.3	650	58.7	< 0.2	0.05	0.92
015	02-Dec-03	8.1	2600	10	1.2	2560	1580	20	20	2.71	2.18	4.8	1.9	670	65.5	0.4	0.05	1.93
016	05-Dec-03	7.9	2600	9.6	8.2	2270	1560	< 5	25.8	2.61	2	5	1.8	616	59.9	< 0.2	< 0.05	0.81
	Count	446	446	446	442	439	446	446	157	157	439	446	446	446	445	147	430	439
	% nondetect	---	---	---	---	---	---	66%	---	---	---	---	---	---	---	54%	97%	7%
	Min	5.6	1110	6.0	0.1	1170	750	< 5.0	6.8	< 0.6	< 0.1	1.6	< 0.6	220.0	3.3	< 0.2	< 0.05	0.030
	Max	8.4	3500	23	14	2560	1690	400	28	4.9	5.5	94	145	670	78	1.7	0.120	3
	Mean	7.9	2002.9	16.7	1.5	1971.3	1277.8	9.8	19.7	2.5	1.8	4.9	1.9	502	52.4	0.3	0.052	0.16
	Median	7.9	2000	16.7	1.2	1960	1280	5	20	2.38	1.78	4.6	1.5	506	52	0.3	0.050	0.08
	St. Dev.	0.27	239	2.4	1.47	188	125	23	3.5	0.8	0.35	4.4	6.8	55	8	0.23	0.008	0.30