

**Fidelity's Violations of Federal and State Water Quality Laws as Documented by
the Montana and Wyoming Departments of Environmental Quality**

Note: The documents supporting these violations are available in the packet.

- 
- On August 14, 2001, the MDEQ issued Fidelity a Notice of Violation for 10 violations of the effluent limit of its MPDES permit (MPDES Permit #MT-0030457) for Total Suspended Solids between June 2000 and February 2001.
 - On June 11, 2001 the Montana DEQ issued Fidelity a Notice of Violation for the unauthorized discharge, lasting 163 days, of 22,000 barrels (924,000 gallons) of wastewater into Squirrel Creek.
 - On July 24, 2003, The Montana DEQ issued Fidelity a Notice of Violation for failing to conduct and report Whole Effluent Toxicity testing as required by MPDES (MPDES Permit #MT-0030457).
 - On January 27, 2004, The Montana DEQ issued Fidelity a Notice of Violation for violating the effluent limitation of its MDPES (MPDES Permit #MT-0030457) that prohibits acute toxicity to aquatic life in effluent discharges and for violating the requirement that it report such violations within the prescribed time period.
 - On January 21, 2002, Fidelity reported that the failure of an impoundment (Impoundment #12-2584) had resulted in the unauthorized discharge of 2,456,748 gallons (58,495 barrels) of methane wastewater into Youngs Creek via an intermittent tributary. Water quality samples showed the SAR in Youngs Creek above the discharges was 0.30 and below was 11.6. Water quality samples showed elevated levels of other pollutants in Youngs Creek: electrical conductivity (700 above: 2290 below) and barium (0.10 mg/L above: 0.70 mg/L below). The EC of the wastewater

in the impoundment was 1840 mg/L. On June 19, 2002, the Wyoming DEQ issued Fidelity a Notice of Violation for the unauthorized discharge from the total containment impoundment.

- On December 4, 2002, the Wyoming DEQ issued Fidelity a Notice of Violation for the unauthorized discharge of 2,000 gallons of wastewater from an impoundment located in the Tongue River watershed of Wyoming.
- On December 4, 2002, the Wyoming DEQ issued Fidelity a Notice of Violation (WY0046841) for the unauthorized discharge of 20,417 gallons (486 barrels) of wastewater from an impoundment located in the Tongue River watershed of Wyoming.
- On December 23, 2002, the Wyoming DEQ issued Fidelity a Notice of Violation for the unauthorized discharge of 504,000 gallons (12,000 barrels) of wastewater from an impoundment (Impoundment #24-3082) located in the Badger Creek drainage of the Tongue River watershed (Seven Brothers Ranch). The unauthorized discharge was caused by the structural failure of an off-channel total containment impoundment less than seven days after the impoundment became operational and Fidelity first discharged wastewater into it. Fidelity paid a fine of \$3,000 to resolve the matter with the Wyoming DEQ.
- On October 22, 2003, the Wyoming DEQ issued Fidelity a Notice of Violation (NPDES Permit #WY0049280) for the unauthorized discharge of methane wastewater from a 1,100 acre-foot impoundment (Impoundments #14-3082) in the Badger Creek drainage of the Tongue River watershed. The unauthorized discharges into unnamed tributaries of Coutant Creek and Little Badger Creek were caused by

three seeps below another total containment impoundment. The seeps were first identified in July of 2003. During a September 30, 2003, inspection of the impoundment, the WDEQ observed Fidelity's irrigation operations. The inspector noted that "the company needs to be careful in conducting their irrigation practices and make sure that the water is being applied at agronomic rates." The inspector was concerned about saturation of the soils and overland flows reaching waters of the state. The inspector cautioned that while the WDEQ "does recognize irrigation as a beneficial use of the water, it should not be used as a form of water disposal in order to circumvent the NPDES program."

