

Keith Bales

SENATE NATURAL RESOURCES
PERMIT NO. 9
DATE 2-14-07
BILL NO. SB 407

Hydro Solutions Inc

February 14, 2007

To: Senate Natural Resources Committee
From: Tom Osborne, P.H., President and Principal Hydrologist
Re: Support of SB 407

I wish to register my support for Senate Bill 407, authorizing emergency discharges of coal bed methane produced water to existing livestock impoundments for emergency water for livestock and wildlife under a General Permit to be issued by the Montana Department of Environmental Quality.

My firm, HydroSolutions Inc., has assisted oil and gas operators with management of produced water from coal bed natural gas production in Montana and Wyoming for the past six years. The quality of produced water generally meets livestock watering requirements. We have worked with companies and landowners in Wyoming to obtain permits for such emergency discharges and believe this has benefited both parties without adverse impacts to the environment. The Wyoming Department of Environmental Quality administers this program under the general WYPDES permit for temporary discharges. In Wyoming, the applicant must complete and submit a "Notice of Intent" (NOI) to the DEQ. The DEQ will review the NOI and determine if the proposed activity is eligible for coverage under this permit or if the activity must be covered under an individual permit. If the proposed activity is eligible for coverage under the general permit, the DEQ will send the operator notification, through a written facility certification form, that coverage has been granted. The facility certification form will also establish effluent limitations and monitoring requirements. The permit limits the duration of discharges for the purpose of providing emergency water for livestock to no longer than 180 days. A letter from the landowner demonstrating the need for the water is also required.

It is our belief that emergency discharges to existing livestock impoundments under the terms of the proposed law, and with the consent of the landowner, can be a very effective way to alleviate drought conditions for farmers and ranchers. It also provides a short-term water management option for the coal bed natural gas producer, and, in our experience, has not posed a threat to the environment.