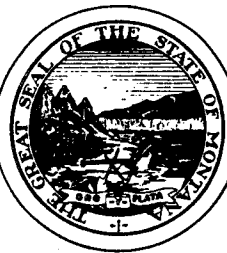


DEPARTMENT OF ENVIRONMENTAL QUALITY
PERMITTING & COMPLIANCE DIVISION

METCALF BUILDING
1520 E SIXTH AVE

MARC RACICOT, GOVERNOR



STATE OF MONTANA

(406) 444-4323
FAX (406) 444-1374

PO BOX 200901
MONTANA 59620-0901

RECEIVED

AUG 12 1999

PUBLIC NOTICE NO. MT- 99-11
August 13, 1999

PURPOSE OF PUBLIC NOTICE

ENVIRONMENTAL
QUALITY COUNCIL

The purpose of this notice is to state the Department's intention to issue wastewater discharge permits under the authority of MCA 75-5-402 and ARM 17.30.1301 et seq. (Montana Pollutant Discharge Elimination System.)

It is the Department's intention to issue (2) industrial permits.

APPLICANT INFORMATION AND DEPARTMENT'S TENTATIVE DETERMINATIONS

APPLICANT NAME: Redstone Gas Partners LLC

APPLICANT ADDRESS: 1999 Broadway, Suite 2250, Denver CO, 80202

APPLICANT STATUS: New Permit

FACILITY LOCATION: Section 9,20,24,29,30, T9S, R40E, and Sections 3,4,10,11,12,13,14,15,22,23,24,25, T9S, R39E, Big Horn County, MT.

PERMIT NUMBER: MT - 0030449

EXPIRATION DATE: March 31, 2002

RECEIVING WATERS: Squirrel Creek

This application is for the discharge of ground water produced from a coal bed methane exploration and production operation.

Discharge is to Squirrel Creek, which is classified "C-3" by the Montana Surface Water Quality Standards. Waters classified C-3 are considered suitable for bathing, swimming, and recreation, growth and propagation of non-salmonid fishes and associated aquatic life, waterfowl and furbearers. The quality of these waters is naturally marginal for drinking, culinary and food processing purposes, agriculture and industrial water supply. Degradation that will impact established beneficial uses will not be allowed. Effluent limitations will ensure that the Montana Nondegradation Rules and the Montana Surface Water Quality Standards will be met. Effluent flows are limited by this permit to provide at least a 10:1 dilution by Squirrel Creek during the irrigation season and limit the maximum ground water discharge in any case not to exceed 2000 gallons per minute during the irrigation season.

The proposed permit requires periodic self-monitoring of discharge quality and quantity with the reporting of results monthly. The recommended expiration date for the permit is March 31, 2002. This is a shorter than normal permit length to allow a clearer picture of upcoming development and discharge flows to become available before longer term permit commitments are made.

APPLICANT NAME: Redstone Gas Partners LLC
APPLICANT ADDRESS: 1999 Broadway, Suite 2250, Denver CO, 80202
APPLICANT STATUS: New Permit
FACILITY LOCATION: Sections 31,32, T9S, R40E, Big Horn County, MT.
PERMIT NUMBER: MT - 0030457
EXPIRATION DATE: March 31, 2002
RECEIVING WATERS: Tongue River

This application is for the discharge of ground water produced from a coal bed methane exploration and production operation.

Discharge is to the Tongue River, which is classified "B-2" by the Montana Surface Water Quality Standards. Waters classified B-2 are considered suitable for drinking, culinary and food processing purposes, after conventional treatment; bathing, swimming, and recreation; growth and marginal propagation of salmonid fishes and associated aquatic life, waterfowl and furbearers; and agricultural and industrial water supply. Degradation that will impact established beneficial uses will not be allowed. Effluent limitations will ensure that the Montana Nondegradation Rules, and the Montana Surface Water Quality Standards will be met. Effluent flows as limited by this permit will provide at least a 9:1 dilution by the Tongue River and limit the maximum ground water discharge to 2000 gallons per minute.

The proposed permit requires periodic self-monitoring of discharge quality and quantity with the reporting of results monthly. The recommended expiration date for the permit is March 31, 2002. This permit term is shorter than the normal 5-year length to allow for collection of water production data without making a longer-term discharge commitment.

REGISTER OF INTERESTED PERSONS

Any person interested in a particular application, or group of applications, may submit their name, address, and telephone number to the Department for the purpose of being included on the mailing list for public notice of tentative permits. The list of names will be maintained as a means for contacting persons with an interest in MPDES permit actions.

PUBLIC COMMENT

Public comments are invited ANYTIME PRIOR TO CLOSE OF BUSINESS September 13, 1999 or within 30 days of date of posting, whichever is later. Comments may be directed to the DEQ Permitting & Compliance Division, Water Protection Bureau, PO Box 200901, Helena, Montana, 59620. All comments received or postmarked PRIOR TO CLOSE OF BUSINESS September 13, 1999 or 30 days from posting date will be considered in the formulation of final determinations to be imposed on the permits.

If no objections are received within the specified comment period, the Department will issue final determinations within sixty days of the date of this notice. Additional information may be obtained upon request by calling (406) 444-3080, or by writing to the aforementioned address. The draft permit, environmental assessments, and related documents are available for review and reproduction at the aforementioned address.

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