xc MCQ CPC

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
CODY RESOURCE AREA
P.O. BOX 518
CODY, WYOMING 82414

TAKE PRIDE IN AMERICA

6870
(190)

February 8, 1989

Roger Kearns
Rocky Mountain Region Production Manager
Marathon Oil Company
1501 Stampede Ave.
Cody, WY 82414

Dear Mr. Kearns:

This office recently completed a cooperative management plan with the Wyoming Game and Fish Department to improve the habitat quality of wetlands in the northern Bighorn Basin. One of the principal objectives of this plan is to enhance waterbird production habitat at Loch Katrine in Oregon Basin.

Because of the water produced by Marathon, Loch Katrine is one of the highest valued wetlands in Wyoming and a priority area to receive federal, state and private enhancement funds. We have documented the use of this wetland by two federal endangered species: the bald eagle and the American peregrine falcon; and three "candidate" species for protection under the Endangered Species Act: the long-billed curlew, white-faced ibis and ferruginous hawk. The Loch also supports several wildlife species of high federal concern, including the trumpeter swan, tundra swan, sandhill crane and white pelican, and several species listed by the state as needing special management, including the black tern, snowy egret and merlin. Loch Katrine supports one of only six black-necked stilt breeding populations in Wyoming.

With enhancement, we believe the Loch eventually could produce approximately 3,500 waterfowl and 10,000 shorebirds annually. Not only would this greatly benefit waterbird populations in North America, but also would provide excellent opportunities for wildlife viewing and photography in the Cody area.

As you know, Loch Katrine receives mostly produced water from the Sidney Battery in the Oregon Basin Oil Field. This water is of good quality and supports the existing wetlands vegetation and waterbird populations. Unfortunately, its flow into Loch Katrine depends entirely on production activities in the oil field.

Before we commit federal funds to enhance Loch Katrine, or request support from the state or private organizations like Ducks Unlimited, Inc., we must

PAT CHILDERS IS PREPARING RESPONSE

22,505 BPD = 345,000,000 GALS/YR

secure a dependable source of water. Our hydrology analysis indicated that a minimum of 345 million gallons of water per year must flow into Loch Katrine to support the objective 325 acre wetland. This is about 94 percent of the water released from the Sidney Battery.

Eric Greenquist, the wildlife biologist on my staff, would like to begin consultations with your staff to determine Marathon's willingness to further contribute to the enhancement of Loch Katrine under a cooperative program with the BLM. Specifically, we would like Marathon to provide the specified amount of water, and consider supporting the habitat enhancement effort with funds or labor and heavy equipment. We feel that Loch Katrine represents an outstanding opportunity to demonstrate the value of produced water to wildlife and the local economy.

Please have your representative contact Eric Greenquist at this office. Thank you.

Sincerely,

Lylia D. Livingston

for Thomas E. Enright
Area Manager

WYOMING
GAME AND FISH DEPARTMENT
"Conserving Wildlife — Serving People"
Jim Geringer, Governor
John Baughman, Director

December 21, 2001

Marvin Blakesley
Marathon Oil Company
1501 Stampede Ave.
Cody, WY 82414

Dear Mr. Blakesley:

I have the following information in regards to your request concerning the beneficial use by wildlife of production water produced at several or your oil fields.

The Gebo, North Sunshine and Pitchfork fields all produce water that is used yearlong by many species of wildlife. In particular pronghorn antelope, sage grouse, Hungarian and chukar partridge benefit by using these water sources. In addition mule deer and numerous species of nongame birds use these water sources on a daily basis. The presence of these water sources increases the distribution and abundance of most wildlife species.

The Gebo field drains into an unnamed tributary to the Big Horn River. Production water that meets DEQ standards is beneficial to the mainstem river fishery by providing additional water. The North Sunshine field drains into Gooseberry Creek – a Class 4 water supporting wild, native populations of mountain suckers, longnose dace, fathead minnows and a few brook trout. The Pitchfork field drains into the Rawhide Creek drainage – a Class 3 water supporting wild and native Yellowstone cutthroat, Snake River cutthroat, white suckers, mountain suckers, silvery minnows and longnose dace. Production water that meets or exceeds DEQ standards is beneficial to the aquatic resources in these drainages where water shortages are chronic.

Sincerely,

John Emmerich
Wildlife Management Coordinator

Ron McKnight
Regional Fisheries Supervisor
2820 State Highway 120
Cody, WY 82414

Headquarters: 5400 Bishop Boulevard, Cheyenne, WY 82006-0001
Fax: (307) 777-4610 Web Site: http://gf.state.wy.us

WYOMING
GAME AND FISH DEPARTMENT

Jim Geringer, Governor | Dr. Tom Thorne, Acting Director

"Conserving Wildlife - Serving People"

June 10, 2002

WER 10322

Dennis Hemmer, Director
Wyoming Department of Environmental Quality
Herschler Building, 4 West
Cheyenne, WY 82001

Dear Mr. Hemmer:

In recent weeks, the Wyoming Game and Fish Department has received a number of requests for beneficial use statements from oil and gas operators. Most of these have been for permit renewals of historic, produced-water discharges. We understand that all oil and gas facility discharges now require a statement of beneficial use for either wildlife or agriculture.

Approximately three years ago, Department personnel in the Powder River Basin were becoming inundated by requests from coal bed methane operators for beneficial use statements. We even received a request from the Wyoming Business Council to provide a statewide or regional statement of beneficial use for all discharges meeting water quality standards. The decision was made by the Department at that time to not issue such statements. We felt it would not be possible to easily determine if any given discharge would provide benefits or cause adverse impacts to fish and wildlife, or their habitats, without site-specific reviews and considerable analysis. Such reviews would create a huge burden on our personnel. Our position was stated in Department letters to your Water Quality Division as early as 1999 and was discussed with you by our former Director, John Baughman.

Our position today is unchanged. We will not issue such statements unless the discharge is part of a project on which we partner with industry and on which there is a Department-approved habitat enhancement plan. Given the many thousands of potential beneficial use statement requests, particularly for new discharges by the coal bed methane industry, it is not remotely possible for this Department to be involved.

The Department would like to make one exception to our position on this matter. As I indicated, the recent requests have been for historic discharges that are being considered for permit renewals, with no changes in water quantity or quality. In these instances, we feel a beneficial use for fish and/or wildlife has been demonstrated over time. On a few of these requests, our personnel have conducted site-specific reviews and we have provided two statements of beneficial use. However, this cannot continue as we are receiving more and more of these requests. Therefore, we wish to provide the following generic statement that will apply to all historic discharges for which there are no water quantity or quality changes:

Headquarters: 5400 Bishop Boulevard, Cheyenne, WY 82006-0001
Fax: (307) 777-4610 Web Site: http://gf.state.wy.us

The Wyoming Game and Fish Department recognizes that historic discharges by oil and gas production facilities have demonstrated a beneficial use to fish and/or wildlife. Provided there are no changes to the quantity of discharge, and the water quality continues to meet DEQ standards for discharge, any permit renewal for these discharges will be considered by the Department as having a beneficial use for fish and/or wildlife.

The Department will not issue additional beneficial use statements for these historic discharges. We will assume that the Department of Environmental Quality, Water Quality Division, will accept the above statement as applicable for all historic discharges as described. We will advise all operators requesting statements under these conditions that DEQ has received our blanket statement. For new discharges or discharges that do not meet the conditions described above, we will not issue beneficial use statements except as noted for partnered projects. In these instances, we would appreciate DEQ personnel advising operators to either secure a beneficial use statement through a consultant or from the affected landowner, and not direct them to the Department as has happened on a number of occasions in the past.

Please advise us if you have questions regarding this letter. We would be glad to meet with you and your staff if you so desire. If we have not heard from you by July 12, we will assume our approach is acceptable. Thank you for your assistance in this matter.

Sincerely,

BILL WICHERS
DEPUTY DIRECTOR

BW:TC:as

cc: Gary Beach
Leah Krafft
Roland Peterson

ANTLERS RANCH, INC.
PO Box 156
Cody, WY 82414

February 22, 2002

re: Antlers Ranch, Inc. - Marathon Oil Co.

Gentlemen:

I am the President of Antlers Ranch, Inc.. The formation water being discharged from the treater in the Sunshine Field flows through Antlers Ranch deeded property and provides a necessary and vital part of the water supply for our ranching operation. Actually the discharged water can be diverted so that it flows either into the Gooseberry drainage or into the Wood River drainage. This water is the only live water source for our livestock and the economic viability of this portion of agricultural land is dependant upon the continued discharge of the water.

The water is also used extensively for riparian and wildlife habitat. I know that numerous species of deer, antelope and other wildlife depend upon this water to utilize this area.

Hopefully, you will continue to discharge the water as it is tremendously important to our ranch and also the wildlife using the area.

If there are any questions, please let me know.

Sincerely,

ANTLER RANCH, INC.

Michael Q. May

Michael Q. May, President

WYOMING HORSES
366 N PAVILLION RD.
PAVILLION, WY 82523
(307) 856-5708 or (307) 856-8552

January 3, 2002

Marvin Blakesly
Marathon Oil Co.
1501 Stampede Ave.
Cody, WY 822414

Dear Marvin;

Our ranch is located on Five Mile Creek four miles north of Pavillion, Wyoming. We have been here since 1973 and ours is the first ranch on the Midvale Irrigation Project that Five Mile Creek passes through. . We have 200 to 800 head of livestock that drink the water that flows down Five Mile during the year. Without the water that is discharged from the Marathon oil wells above us we may not have had stock water during the drought years of 1979, 2000, and 2001.

There is a good supply of minnows and small fish in the creek as well as abundant wildlife that drink and live in proximity to the creek.

Thank you for the steady supply of fresh water.

Yours truly,

Lonnie Mantle

Wyoming Horses
Lonnie & Grace Mantle
Bob & Dar Vogel

Darwin Griebel
Star Route - Box 2815
Kinnear, Wyoming 82516

Dear Mr. Blakeslee & Mike Glick,

I am an enrolled member of the Eastern Shoshone Indian Tribe. I am a permittee on range unit #38 and depend heavily on the production water for my livestock — without it all the ranches within the Marathon production area from Circle Ridge to Pavillion would go out of business.

Not only would the ranchers be affected — but wildlife such as ducks, fish, geese, deer, antelope, wild horses, etc. would be distinct. Without production from Marathon & Five Mile Creek will dry up and all of the above is over.

I pray we do not lose the production water which will affect all the ranchers and critters.

Sincerely,
Darwin S. Griebel

FIVE MILE RANCH
LIMITED LIABILITY COMPANY
179 Indian Ridge Road
Pavillion, Wy. 82523

January 9, 2002

Mr. Marvin Blakesley
Marathon Oil Company
1501 Stampede Avenue
Cody, Wy. 82414

Dear Mr. Blakesley,

I am writing this letter in support of Marathon's EPA discharge permit. The water discharged into Five Mile Creek is a benefit to us in watering livestock. We have 1200 acres on the northwest edge of the Midvale Irrigation project and water 1500 – 2000 cattle each winter from Five Mile Creek. The flow in Five Mile during dry years is almost totally due to Marathon's discharge on our farm because we are on the northwest edge of the irrigation project and do not benefit from irrigated ground drains into the creek. We support the continuation of Marathon's permit to discharge into Five Mile Creek.

Sincerely,

Bill Garland

Bill W. Garland

January 18.2002

To Who It May Concern:

This letter is in reference to the water discharge that Marathon Oil Company releases into Five Mile Creek from their Circle Ridge Oil Field. I have ranched in this area for over fifty years and if it weren't for this discharged water my cattle and the wildlife in the area would have virtually no water. I appreciate the care Marathon Oil Company gives to the quality of water they release, making it drinkable for the animals. I can't say enough about how important this discharged water is to my cattle, and therefore, my livlihood, especially in drought years like the past two when all other water sources have dried up.

Thank you,

James H. Fike Jr.

James H. Fike Jr.

Richard Pattison

153 Pattison Farms Rd.

Pavillion, WY. 82523

Marvin Blakesley

1501 Stampede Ave.

Cody, WY 82414

Re: Marathon Oil's contribution to the stream flow in 5-Mile Creek

Dear Mr. Blakesley:

I am writing to you to inform you, that I am a landowner in Midvale Irrigation District. My property lies along the Five Mile Creek Drainage and I have two water gaps on the drainage. I also rent land that has an additional two water gaps. Last year Philip Ranch placed sheep and cattle on my properties and used two of the four water gaps. The last two years have been drought years and water shortages. Even with this drought condition, the stream flows have stayed up with consistent flows. Without the flow from Marathon's oilfields at Circle Ridge and Maverick Springs, the constant flow in 5 Mile Creek would not been possible and in all probability would have dried up. Pleased be informed that any loss of streamflow in Five Mile Drainage would jeopardize my being able to furnish pasture with a good water supply. Any water supply into the drainage that would be turned off or restricted, would hinder my cash flow from pasture rental.

Thank you for your time.

Sincerely,

Richard Pattison

WYOMING HORSES

366 N PAVILLION RD.
PAVILLION, WY 82523
(307) 856-5708 or (307) 856-8552

January 3, 2002

Marvin Blakesly
Marathon Oil Co.
1501 Stampede Ave.
Cody, WY 822414

Dear Marvin;

Our ranch is located on Five Mile Creek four miles north of Pavillion, Wyoming. We have been here since 1973 and ours is the first ranch on the Midvale Irrigation Project that Five Mile Creek passes through. . We have 200 to 800 head of livestock that drink the water that flows down Five Mile during the year. Without the water that is discharged from the Marathon oil wells above us we may not have had stock water during the drought years of 1979, 2000, and 2001.

There is a good supply of minnows and small fish in the creek as well as abundant wildlife that drink and live in proximity to the creek.

Thank you for the steady supply of fresh water.

Yours truly,

Lonnie Mantle

Wyoming Horses
Lonnie & Grace Mantle
Bob & Dar Vogel

Feb. 10, 2002

Attn: Marvin Blakesly
Marathon Oil Company
1501 Stampede Ave.
Cody, Wyo. 82414

Dear Sir:

The Barquin family and their children and grandchildren have been using the produced water from the Circle Ridge and Maverick Springs fields for sixty years or more to water the cattle. This water flows from the fields down Muddy Creek to 5 mile creek. There is also a large reservoir located above the old Barquin Mine. This reservoir is home to a mulitude of geese, ducks, and fish.

We certainly would like to see this produced water to continue to flow.

Sincerely,

James Barquin Jr.
James Barquin Jr.
Jim Barquin III
Jim Barquin III
Ty Nicholls
Ty Nicholls
Brodie Nicholls
Brodie Nicholls
Jolene Scheer
Jolene Scheer
Darwin Griebel
Darwin Griebel

Darwin Griebel
Star Route - Box 2815
Kinnear, Wyoming 82516

November 6, 2003

To Whom It May Concern:

I am asking the Wind River Environmental Quality Commission to renew Marathon's permit to discharge water. This water benefits our cattle, deer, antelope, and waterfowl.

The water is discharged year round so it is available when other sources are not.

This produced water is the only water available to some of the areas in our range unit. These areas could not be fully utilized with out the water.

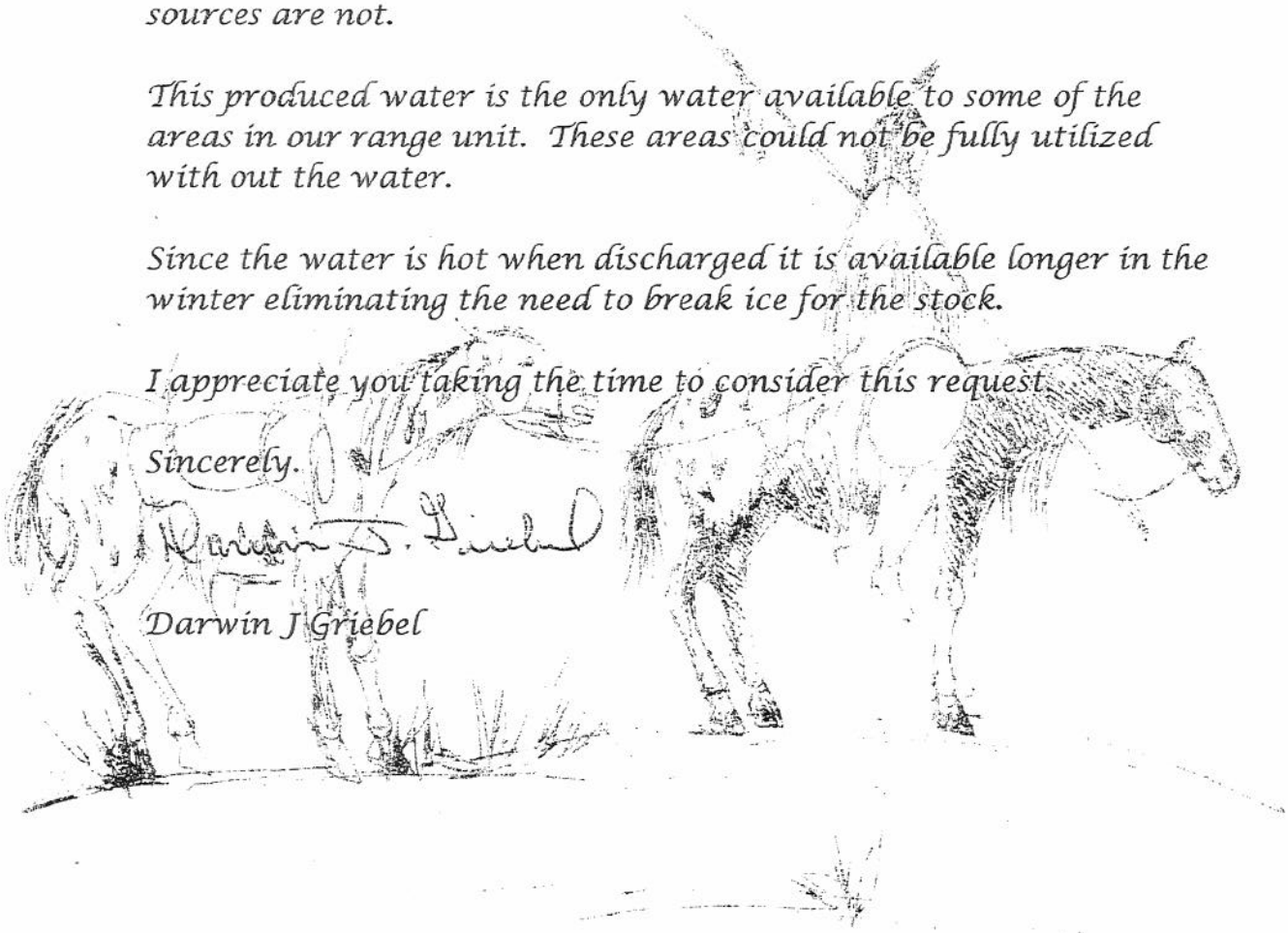
Since the water is hot when discharged it is available longer in the winter eliminating the need to break ice for the stock.

I appreciate you taking the time to consider this request.

Sincerely,

Darwin J. Griebel

Darwin J Griebel



Dear Mr. Berkeley,

I'm sorry that I can't help you with the kind of letter you need for E.P.A.

Bob died two years ago, and I don't have any cows any more.

Surely you can get the needed information from other people in the area. Water is vital.

Sincerely,

Mrs. Robert Hagingeman

[illegible]29 Hwy 26
Kinnear, Wyo. 82516

November 12, 2003

Marvin Blakesley, HES
Marathon Oil Company
1501 Stampede Ave.
Cody, Wyo. 82414

Mr Blakesley,

I am writing in regards to the Steamboat field's discharged water. There is a stream that runs year round through our property that gets its water from this discharged water. We have cattle, horses, and goats that drink from it. There are also deer, coyotes, rabbits, pheasants, chuckers, eagles, and other wild animals that benefit from it.

Thank you for providing this benefit of the water to us.

Sincerely,

Doug and Linda Hill

Nov. 30,2003

Attn: Marvin Blakesly
Marathon Oil Company
1501 Stampede AveCody, Wyo. 82414

Dear Sir:

The Barquin family and their children and grandchildren have been using the produced water form the Marathon Steamboat field for sixty years or more to water the cattle. This water flows from the Mission Pond to the river.

We need this water because it is discharged year around and it is the only water available for the livestock and the wildlife.

For some of this area this produced water is the only water available and if not discharged, the range could not be fully utilized with out the cost of providing water. This is particularly true in drought years, when other sources of water are reduced or dry up.

Since the water is hot when discharged, it is available longer in the winter without having to break ice. Cattle may maintain their weight and survive cold weather better because they do not have to expend as much energy bringing the water they drink to body temperature.

Besides the livestock, the wildlife, which includes deer, elk, antelope, waterfowl, game birds and beaver also utilize this water year round.

We would certainly like to see this produced water flow year round. It is necessary for the continuation of our livestock operations.

Sincerely,

James Barquin Jr.
James W. Barquin Jr.

Jim Barquin III
Jim Barquin III

Jolene Scheer
Jolene A. Scheer

Ty Nicholls
Ty Nicholls

Brodie Nicholls
Brodie Nicholls

[redacted]

March 15, 2002

Marvin Blakesley
Marathon Oil Company
1501 Stampede Avenue
Cody, Wyoming 82414

RE: Produced Water From Pitchfork Oilfield

Dear Mr. Blakesley

I am providing the following information concerning the beneficial uses of produced water from Marathon's Pitchfork Oilfield.

The produced water that is discharged from the Pitchfork Oilfield is beneficial to my ranching operation. The water flows from Marathon's facilities into Rawhide Creek, and then flows several miles before entering the Greybull River. The water is of good quality and is used by my cattle throughout most of the year. The water provides an important year round water source for several of my pastures. We also utilize the water for irrigation of our crop lands. Rawhide Creek, above the Pitchfork Field discharge, often goes dry during the summer. The produced water provides a steady flow throughout the year.

The water also provides many beneficial uses to wildlife, including deer, antelope, sage grouse, chukar, and Hungarian partridge. Some non-game species of fish and wildlife are also dependent on this discharged water.

Any loss of this water would be detrimental to my ranching operations and would create a negative environmental impact.

Sincerely,

Jack Turnell
Turnell Cattle Company

LARSEN RANCH CO.
976 Road 4DT
Meeteetse, Wyoming 82433
January 3, 2002

re: Gooseberry Creek

To Whom It May Concern:

As President of Larsen Ranch Co., I want to advise you regarding the formation water being discharged from the treater in the Sunshine Field which flows across Antlers Ranch, Inc. onto Larsen Ranch Co. property and into the drainage of Gooseberry Creek.

For our ranch, the water in discharged treater water is vitally important. It is the only live water source for livestock in our 3,000 acre pasture. The economic importance of this water source is vital. We could not use this piece of ground in the same way if the water source was eliminated. We strongly support the continued discharge being allowed.

The water is also used extensively by the wildlife. It provides important habitat for the wildlife and ultimately supplements water in Gooseberry Creek for our livestock and irrigation. The water in Gooseberry Creek is important for riparian habitat for numerous species of birds and mammals.

During the summer of 2001, Gooseberry Creek was intermittently dry. Approximately three (3) miles above the point where the treater water empties into the Creek, the Creek was totally dry. The beaver in the area had to move downstream approximately one mile below where the treater water empties into the Creek because their other dam was left dry by the drought. The beaver built a large dam in that area which is again providing important habitat for the wildlife.

During the wildfire in the summer of 2001, the beaver dam was the only place where helicopters could fill the buckets to drop on the fire.

Over the years there has been some attempts at stocking fish on Gooseberry Creek, but because of the low flow of Gooseberry Creek and the high summer temperatures, these efforts have not been successful. However, any hope of maintaining or increasing the habitat and/or fisheries is importantly dependent upon the supplement from the treater water into Gooseberry Creek.

We would be more than glad to show any interested parties the importance of this water not only to Larsen Ranch Co., but also for wildlife and other habitat in the vicinity. We support the continued use of this water for a supplemental source of water to this area.

Sincerely,
LARSEN RANCH CO.

Ralph C Larsen

Ralph C. Larsen, President

January 8, 2002

Mr. Marvin Blakesley
Marathon Oil
1501 Stampede Ave
Cody, WY 82414

Dear Mr. Blakesley,

We've been asked to write concerning North Sunshine Field water discharge. Water discharge from North Sunshine is absolutely vital for the integrity of Kinney Creek and Gooseberry Creek.

Water discharge is important in maintaining water volume in Gooseberry Creek during years of normal precipitation and essential in maintaining creek volume in drought years. Creek volume is important for maintenance of wildlife habitat, riparian areas, irrigation flow, fire suppression, and livestock interests.

In several instances, North Sunshine water discharge is the only form of water for livestock, wildlife, and riparian area health and this is especially true in drought years. Discharged water enters Gooseberry Creek at the mouth of Kinney Creek and during the 2001 summer season Gooseberry Creek was dry above the Kinney Creek entrance.

Discharged water is essential to irrigation along Gooseberry Creek in years of normal moisture and during drought periods. Irrigation water volume on Gooseberry Creek is directly affected by water discharged from North Sunshine.

Increased water volume in Kinney Creek and Gooseberry Creek may, in the future, be beneficial in wildfire suppression.

In summary, North Sunshine water discharge is vital to the health and well being of riparian areas, wildlife habitat, and livestock interests along Kinney Creek and Gooseberry Creek.

Sincerely,

Paddy Renner.

Paddy Renner
PAR Ranch

United States Department of the Interior

Fish and Wildlife Service
Lander Fish & Wildlife Management Office
Partners for Wildlife Branch
170 North First Street
Lander, WY 82520
307/332-8719 Fax:307/332-9857
Internet: R6FFA-LAN

November 18, 2003

Melvin Blakesley
Marathon Oil Company
1501 Stampede Ave.
Cody, WY 82414

Dear Melvin,

I had a conversation with Mike Quick the other day about Mission Pond project and any updates that we could provide. For starters, the dikes needed some rip-rap on the faces to protect from wind and wave action and that was accomplished last summer in coordination with the Tribe and High Country Construction Company. The structures are now all up to spec. and working fine. Outside of that, the birds have responded, especially shorebirds using the available exposed mud flats this summer. Several broods of waterfowl were seen on the ponds this past summer and overall I rate the project a success. The vegetative response has been quite remarkable, sedges and rushes pioneering the newly flooded uplands, which is encouraging considering the absence of vegetation on much of Mexican Flats. From past wetland studies, Mission Ponds should continue to increase in production for the next five to ten years then level off, having comparable flora and fauna of a natural wetland basin.

We thank you for your support on the Mission Pond habitat development and look forward to working with you on any new habitat projects in the near future.

Sincerely,

Mark Hogan

Mark Hogan
WY Private Lands Coordinator

Blakesley, Marvin E.

From: FLITNER@aol.com
Sent: Tuesday, August 01, 2006 10:49 AM
To: mmyetter@qwest.net
Cc: goflitner@tctwest.net; Blakesley, Marvin E.
Subject: Re: Water and Waste Advisory Board Meeting information (DRAFT)

Statement from Flitner Ranch
By David Flitner, Owner/operator
3208 Beaver Creek Road
Greybull, WY 82426

From: David Flitner

To **Wyoming Water and Waste Advisory Board**

Ladies and Gentlemen of the Advisory Board:

Thank you for the opportunity to comment on an issue of vital importance to our ranching operation.

My name is David Flitner. I am the owner of Flitner Ranch and Hideout Adventures located at Shell, Wyoming with grazing lands utilized by the ranch located in the Shell, Powell/Cody and Tensleep area as well as our historic homestead site on Shell Creek and the Big Horn Mountains. This year, the Flitner Ranch celebrated its' 100th year in the livestock and farming business.

We operate a commercial cattle range operation as well as a feedlot for finishing cattle. We also have a registered quarter horse business an extensive farming operation and a guest business, called The Hideout, with guests coming from all quarters of the globe.

We employ some fifty people in the various enterprises of Flitner Ranch which also includes a small construction company. The entire commercial cattle operation, the registered quarter horse operation and the Hideout guest operation are dependent on the use of both private and Federal lands.

Some 150,000 acres of the grazing enterprise are primarily dependent on water produced from wells emanating from the Oregon Basin oil field near Cody. The excess water that is not re injected has become the basis for a consistent water supply called Dry Creek.

Dry Creek supplies the water for hundreds of cattle from various livestock operations throughout its' full length from just south of Cody to Greybull. It is also the water source for a resident antelope and Wild Horse herd. If Marathon were to suddenly stop pumping the excess water from its' production wells at Oregon Basin, this entire water source would dry up and the economic as well as ecological consequences would be devastating to both the livestock industry in the area as well as the Wild Horse population and hundreds of antelope and deer.

As a result of the above information, it is our desire to suggest the Advisory Board take into consideration the following suggestions:

1. Any policy formulated should not interfere with landowners or pemittees on Federal and State leases who desire to use CBNG produced water to improve their property or sustain livestock operation

2. The policy should allow landowners to use and receive the water even if it does not meet DEQ's "standards." In the case of Dry Creek, which results from the Marathon Wells, our livestock and the wildlife have a long history of using this water with no negative consequences. The cattle from pastures adjacent to this water source have often exceeded the calving percentage and weight gains of competitive pastures within the scope of our overall ranching operation.

3. The landowner/ranch manager are in the best position to evaluate the impact on their livestock even if it does not meet DEQ standards and in a better position to evaluate whether water that exceeds "standards" is beneficial to his lands and livestock. Often *Big Brother* is not close enough to the situation to accurately evaluate all the physiological and economic factors that go into making a decision that is realistic.

4. One of the great challenges in the livestock industry in Western range grazing areas is the proper distribution of livestock and wildlife by utilizing water sources to allow uniform utilization of grazing in a given area. Historic water uses could easily be disrupted by imposing unrealistically rigorous water quality standards. This would be devastating to both livestock and wildlife populations.

Great caution should be exercised by any regulatory entity in the state to ensure that overly zealous regulations do not destroy the fragile balance that has taken over a hundred years to establish.

Thank you for the opportunity to comment. I would hope that the Board would consider a hearing in the Greybull/Cody area where there is major concerns relative to any potential regulations that may come from your investigation into this matter.

Sincerely,

David A. Flitner

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Cody Field Office
P.O. Box 518
Cody, Wyoming 82414-0518

RECEIVED
JUN 19 2000
ENVIRONMENTAL, SAFETY AND REGULATORY

3160
(020)

Marvin Blakesley
Marathon Oil
1501 Stampede Avenue
Cody, Wyoming 82414

JUN 15 2000

RE: Beneficial Use of Produced Water WY-0001899; WY-0022900; WY-0001911; WY-0001902

Dear Marvin:

This letter is in response to you recent request for notation of beneficial uses associated with your freshwater discharges in Oregon Basin.

As you know, part of Marathon's discharges drain into Loch Katrine, a playa lake in the extreme northern end of the field which consists of a 1,200 acre wetlands complex sustained by 866 intermittent acres of water within a sagebrush and mixed grass steppe community. Loch Katrine now receives approximately 75 percent of its water from the Oregon Basin Oil Field. Produced water increases the size of the wetland by 200 to 600 acres and directly contributes to an added annual production of 500-1000 shorebirds and 500-1000 waterfowl.

Produced water also drains into Oregon Coulee and Coal Mine Draw contributes significantly to stable flows in upper Dry Creek Drainage. The wetland and riparian habitats associated with these drainage are substantially enlarged by the increased flows, especially during the naturally low flow periods of late summer.

Collectively, the freshwater discharges have improved the riparian and wetland values on well over 1,000 acres. This office has invested several tens of thousands of dollars in further improvements of these augmented wetlands and would view any effort to stop the surface discharges as a negative environmental impact. The BLM funded a contaminants study a number of years ago to assess the possible negative impacts to waterfowl and the wetland environment. That study was conducted by the United States Fish and Wildlife Service and the concluded that the wetlands were benefitting significantly from the produced water.

If we can be of further assistance, please contact me at (307)578-5909.

Sincerely,

Tom Hare, Asst. Field Manager

February 25, 2002

Marvin Blakesley
Marathon Oil Company
1501 Stampede Avenue
Cody, Wyoming 82414

RE: Produced Water From Gebo Oilfield

Dear Mr. Blakesley

As per our recent telephone conversation, I am providing the following information concerning the beneficial uses of produced water from Marathon's Gebo Oilfield.

The produced water that is discharged from the Gebo Oilfield is vital to my livestock operation. The water flows from Marathon's facilities into Coal Draw, and then flows several miles before entering the Big Horn River. Coal Draw is normally dry, except during heavy rains or snow melt. The produced water provides the only water flow in Coal Draw during most of the year. The water is of good quality and is used by my cattle throughout most of the year. The water is warm, thus providing an unfrozen water source during the winter months. The warm water helps my cattle maintain weight during the winter months, because they do not have to burn calories to heat the water to body temperature. If this water was not present, I would have to haul water to my livestock, at considerable cost to my ranching operations.

The water also provides many beneficial uses to wildlife, including deer, antelope, pheasant, chukar, and Hungarian partridge. Muskrats, ducks, and many non-game species of wildlife are also dependent on this discharged water.

The produced water provides a several mile long riparian zone along Coal Draw, which would not be present without the discharged water. It creates wetlands in the lower end of Coal Draw, prior to entry into the Big Horn River.

Any loss of this water would be detrimental to my ranching operations and would create a negative environmental impact.

Sincerely,

Norman Sanford

Norman Sanford
Sanford Ranches

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Cody Field Office
P.O. Box 518
Cody, Wyoming 82414-0518

TAKE PRIDE IN AMERICA

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(020)

Mr. Marvin Blakesley
Marathon Oil Company
1501 Stampede Avenue
Cody, Wyoming 82414

Dear Mr. Blakesley:

This letter is in response to your recent request that the Bureau of Land Management (BLM) consider opposing proposed changes to water quality discharge standards in the Big Horn Basin.

As you are aware, collectively, the freshwater discharges from oil and gas production have improved the riparian and wetland values on thousands of acres of public lands within the Big Horn Basin. In order to capitalize on the produced water the Cody Field Office has invested several tens of thousands of dollars to further improve these augmented wetlands. We would view any effort to stop the surface discharges as a negative environmental impact. Produced water directly benefits a variety of BLM resources and uses including watering for livestock and wild horses, stable flows for wetland and riparian communities, and shorebird and waterfowl habitat.

Specifically, Marathon's discharges constitute approximately 75 percent of the water Loch Katrine, a playa in the extreme northern end of the Oregon Basin Oil Field, receives. These discharges help support a 1,200 acre wetlands complex and over 850 intermittent acres of water within a sagebrush and mixed grass steppe community. The produced water increases the size of the wetland by 200 to 600 acres, and directly contributes to an added annual production of 500-1000 shorebirds and 500-1000 waterfowl. Further, produced water also drains into Oregon Coulee and Coal Mine Draw which contributes significantly to stable flows in the upper Dry Creek drainage. The wetland and riparian habitats associated with this drainage is substantially enlarged by the increased flows, especially during the naturally low flow periods of late summer.

The BLM funded a contaminants study in the early 1990s to assess possible negative impacts to waterfowl and the wetland environment in Oregon Basin. The study was conducted by the U.S. Fish and Wildlife Service and the conclusion was that wetlands were benefiting significantly from the produced water.

If we can be of further assistance, please contact Mary D'Aversa at (307) 578-5900.

Sincerely,

Michael J. Blymyer
Field Manger, Cody

FOAL: Friends Of A Legacy—McCullough Peaks Mustangs

1019 Meadow Lane Ave.
Cody, WY 82414

September 27, 2006

Mark Gordan, Chairman
Environmental Quality Council of Wyoming
Herschler Building, 1 West
122 West 25th Street, Room 1714
Cheyenne, WY 82002

Dear Mr. Gordan:

Good day to you. I represent the non-profit organization, FOAL, which is the acronym for: Friends Of A Legacy—McCullough Peaks Mustangs. We are recognized by the State of Wyoming as a non-profit corporation, and we have achieved 501©3 status from the IRS. We are an advocacy group. FOAL's purpose, as stated in our by-laws, is to provide educational opportunities to the general public, to enhance the habitat for all creatures living within the McCullough Peaks Wild Horse Herd Area, and to assist the US Bureau of Land Management in managing the wild horses in the McCullough Peaks herd. In keeping with our purpose, I am writing you concerning proposed amendments to Appendix H of Chapter #2 of Water Quality Rules and Regulations for the State of Wyoming.

FOAL is strongly opposed to the amendments cited above, as they would apply to the Oregon Basin Oil Field operated by Marathon Oil Co. in Northwest Wyoming. Our opposition is based upon the following information, which we believe is truthful and accurate. The Dry Creek drainage meanders through the southerly edge of the McCullough Peaks Wild Horse Herd Management Area, beginning approximately 25 miles downstream from the Oregon Basin Oil Field surface discharges. Wild horses, pronghorn, mule deer, numerous species of birds, and domestic livestock drink from the water in Dry Creek, apparently with no ill effects. In recent drought years, the perennial water available in Dry Creek has become increasingly important to the creatures living within reach of it. Without the abundant and continual surface discharges from the Oregon Basin Oil Field, the water in the Dry Creek drainage would, in all likelihood, dry up in most years by mid-August, and would continue to be dry until replenished by rain, snow, or spring run-off. Current surface water discharges from the Oregon Basin Oil Field barely meet existing Effluent Limits standards. Marathon Oil has determined that it will be cost-prohibitive to treat discharge water from the Oregon Basin Oil Field in order to comply with the new standards being proposed. Marathon Oil plans to utilize a more cost effective option of injecting the water back into deep geologic formations, should the new standards be imposed. The net result from that scenario would be a degradation of the habitat in the McCullough Peaks Wild Horse Herd Management Area.

Another request in the petition to amend Appendix H of Chapter #2 addresses the quantity of water to be discharged, based upon what will be actually consumed by livestock and wildlife. Dry Creek runs for nearly fifty miles downstream from the Oregon Basin Oil Field. Regulating discharges to correspond with actual downstream use seems to be totally impractical in this instance.

Thank you for your time. Please feel free to contact me concerning this matter, if you wish.

Sincerely,

Marshall Dominick

Marshall Dominick

President, FOAL

Cc
John Cora, Director, Water Quality Division, Dept. of Environmental Quality, Herschler Bldg. – 4W, Cheyenne, WY 82002

John Wagner, Administrator, Water Quality Division, D.E.Q., Herschler Bldg. – 4W, Cheyenne, WY 82002

Bill DiRienzo, Water Quality Division, D.E.Q., Herschler Bldg. – 4W, Cheyenne, WY 82002

Governor's Office, State Capitol, 200 West 24th Street, Cheyenne, WY 82002-0010

Kate Fox, Davis and Cannon Law Firm, P.O. Box 43, Cheyenne, WY 82003

Marvin Blakesley, Marathon Oil Co., 1501 Stampede Ave., Cody, WY 82414

Michael J. Blymyer, Field Manager, BLM—Cody Field Office, P.O. Box 518, Cody, WY 82414

Tricia Hatle, Wild Horse Specialist, BLM –Cody Field Office, P.O. Box 518, Cody, WY 82414

file

Feb. 13, 2006

Dept. Of Environment Quality
Water Quality Division
Herschler Building
Cheyenne, WY 82002

To Whom It May Concern

This letter is for the beneficial uses of discharge water from oil or gas production. My family has owned land on Cotton Wood Creek in Hot Springs county since 1936 witnessed, and continue to see, the benefits of the discharge water from Merit Oil Company at Hamilton Dome. The discharged water reduced erosion by providing nutrients for native grasses, shrubs, trees and many other riparian plants. We use the water for irrigation which increased the yield of the crops (alfalfa grass hay) by 300%, also the pasture flourished. The water is used for cattle as well as deer, prong horn, pheasants, ducks, cranes, fish, sheep, and many other wildlife and domestic animals. The steady stream of water has decreased diseases such as selenium (causes abortion, blindness, and death in cattle) and increased the wildlife population. With the current amount of production water in stream, a steady flow of water continued to trickle down the creek, even during the drought years as we have experience in the last 5 years. This water supplied the riparian areas, wildlife, reservoirs, ranchers, hay fields, etc. with water to survive the drought.

With out the production water the land value will decrease, we will have disease problems (due to such strong alkali found naturally in the soil), have less hay for our cattle, and there will be less wildlife. There are numerous of other ranches on this creek, and in the entire county, that depend on production water. Without it ranches will experience severe economical repercussions. By making the oil and gas companies inject the water back down hole, you will be putting a big financial burden on them as well as the farmers and ranchers. There will be a financial burden on the economy as a whole. Gas and oil production companies such as Merit Oil at Hamilton Dome provides jobs to every community that will be lost, taxes to the county and state will be lost, many ranching jobs and irrigation jobs will be lost this in turn causes less money for the schools, law enforcement, roads and many other entities .

The production water is more beneficial , improving the quality of our lives, the wildlife, plants, and domestic animals, flowing down the creeks then being injected into the ground.

Respectively submitted,

Paul Ward

Paul Ward

Department of environmental Quality

My Family own's a ranch on the Lower Cottonwood creek and have been useing the discharge water from the Hamilton dome operation to irrigate our alfalfa fields and water our livestock and were very happy with the quality of water coming from them we just wish there was more of it. If they are not allowed to discharge there water into the creek it's not only going to negativly affect our operation it will also deteriorate the quality of the creek bed and the wild life that benefits from it.

Jim Butterfield
347-8232

February 15. 2006

Mr. Mark Gordon
Chairman
Environmental Quality Council
Herschler Bldg 1W
Cheyenne. WY 82002

Dear Mr. Gordon.

It is my understanding that the Environmental Quality Council is considering proposing rules that would require that water produced in conjunction with oil and gas extraction would have to be injected back into the ground. Although the production of this water might be a problem in some parts of the state, in the Big Horn Basin where I ranch this water is a valuable asset.

My neighbors and I have pastures where this water is the only reliable year round water source for our livestock. These sources of water were crucial during the recent drought years. Loss of this water would cause me significant financial loss in that my grazing would be greatly curtailed. or I would have to spend significant dollars in an attempt to develop alternate water sources.

Besides water for my livestock. water produced by oil wells on my property provides a year round water source for wildlife in an area that is prime winter habitat for deer and elk. Loss of this water source might have significant impact on their numbers.

I understand the great amounts of water produced by coal bed methane production represent a serious problem for Powder River Basin area: however, it should be possible to address that problem without denying a valuable source of water to other regions of the state.

Regards.

Joe B.Dennis. Mgr.
Dennis Ranch Ltd..LLC
375 E Pavillion Rd.
Pavillion. WY 82523

which will force these oil companies to reinject discharge water is unnecessary, unwarranted, and could lead to oil fields shutting in wells and closing fields. Hot Springs County needs these oil companies. My ranching family needs the water they produce. The environment is enhanced and the wildlife thrives because of the oil field discharge water.

Sincerely,

Matt M. Brown

Cc: John Corra- WDEQ
John Wagner- WDEQ
Todd Parfitt- WDEQ
Office of the Governor

McCarty Ranching, LLC
P.O. Box 1418
Cody, Wyoming 82414

OFFICE TELEPHONE 307-587-6291
OFFICE FAX 307-587-5547

RANCH TELEPHONE 307-587-2055
RANCH FAX 307-587-4703
RANCH CELL 307-899-1121

July 10, 2006

Mr. Marvin Blakesley
Marathon Oil
1501 Stampede Avenue
Cody, Wyoming 82414

Dear Mr. Blakesley:

I have reviewed the memorandum in regards to the Powder River Resource Council Petition to Amend Water Quality Rule, Chapter 2, Appendix H.

Our cattle depend upon Marathon's discharge water for their sole source of water from November 20 to April 15. We have independently had this water evaluated by Patterson Nutrition. They have found the water to be acceptable for cattle. The warm water is favored by cows in the winter.

Our cattle that winter in the Oregon Basin on the discharge water perform as well, if not better, than our cattle that winter in other areas. They maintain a body condition score of 5 or better, a 92% - 94% weaned calf ratio, with an average weaning weight of 500 pounds, calving starting May 10th. This weaning weight is 50 pounds heavier than cattle that we run under basically the same conditions in other parts of the county.

If the Marathon discharge water was unavailable to us on our Oregon Basin, BLM permit it would substantially damage our ranching operation. The expense of obtaining other water sources would be tremendous.

Not only do our cattle, and the cattle of other ranchers depend upon this water, but literally hundreds of antelope that winter in Oregon Basin are dependent on the discharge water. Numerous waterfowl utilize the discharge water throughout the winter.

If you would like any additional information on this matter, please feel free to contact me.

Yours very truly,

MICHAEL McCARTY

MMC/kmk
cc: Mr. Mark McCarty
Dr. Trey Patterson

McCarty Ranching, LLC
P.O. Box 1418
Cody, Wyoming 82414

OFFICE TELEPHONE 307-587-6291
OFFICE FAX 307-587-5547

RANCH TELEPHONE 307-587-2055
RANCH FAX 307-587-4703
RANCH CELL 307-899-1121

July 6, 2006

Mr. Marvin Blakesley
Marathon Oil
1501 Stampede Avenue
Cody, Wyoming 82414

Dear Mr. Blakesley:

I have talked to Mr. Trey Patterson of Patterson Nutrition, Inc., 17600 CR 34, Sterling, Colorado 80751; phone and fax (970) 522-0264, cell (307) 461-1001, best contact, about the status of the discharge water in Oregon Basin. He told me that, in his professional opinion, he finds it acceptable for livestock.

I told him once I receive the information from you by e-mail about analysis of the water and the proposed limitations, I would send them to him. He told me that he would send me a letter of opinion and might be interested in testifying.

If you have any questions, please feel free to call me. We feel committed to working with you on this matter.

Yours very truly,

MICHAEL McCARTY

MMC/kmk
cc: Mr. Mark McCarty
Dr. Trey Patterson

Patterson Nutrition Company, Inc.
Bud Patterson: 970-522-0264
Dr. Trey Patterson: 307-461-1001

July 10, 2006

Michael McCarty
McCarty Ranching, LLC
P.O. Box 1418
Cody, Wyoming 82414

Dear Mr. McCarty,

It has been brought to my attention that there are proposed regulations to lower the sulfate standard in oil-field discharge water from 3000 to 500 mg/L. It is my professional opinion that such a change in the standard would be unnecessary and would potentially exclude useful livestock water from productive use in the Oregon Basin in Wyoming.

As you know, I have sampled water that your cattle were consuming in that location that was over 2200 mg/L sulfates. As a professional nutritionist, I viewed the cattle before and after they were consuming that water. The cattle actually increased in body condition score over the period of time and were in good nutrition and health status. Production numbers that you shared with me were consistent with the cattle being in both good nutrition and health.

There is no question that high sulfates in water are a concern for animal nutrition and health. We conducted a series of experiments when I was on faculty at South Dakota State University that showed the critical level of sulfates in water to be approximately 3000 mg/L. In other words, we concluded that water below 3000 mg/L was suitable for cattle. We considered water to be toxic if it contained 4000 mg/L or greater sulfate concentration.

There are some special nutritional considerations for cattle when sulfates are present. Sulfates can reduce the bioavailability of some trace minerals. By specially designing a mineral product that addressed this trace mineral concern, we were able to utilize the water on McCarty Ranching's operations while keeping production and cattle health at high levels.

I believe that it is important to consider the alternative to using the discharge water for your operations and for other ranches in the state....the alternative in many cases is no water at all. That goes for livestock or wildlife. I am not aware of any problems with wildlife consuming water in the range of sulfates in question. With some minor and inexpensive changes to the mineral program for cattle, the water with

approximately 3000 mg/L or less can be used for productive purposes. I have worked with ranches that used water with over 4000 mg/L sulfates. That is not ideal and surely there were some problems associated with sulfates in those instances, but it beat the alternative of no water. Interestingly, cattle will show similar symptoms when subjected to water deprivation as they do when subjected to toxic levels of sulfates in water. In addition, appropriate forage utilization, and thus efficiency of land use, is reduced with less water.

It would not be appropriate to discontinue use of water ranging from 2000 to 3000 mg/L sulfates for the sole reason that the sulfates are present. There are certainly management practices that can reduce if not eliminate the negative effects of sulfates in water if they are within that range. For instance, producers can make sure the cattle are not water deprived when first using the water source, they can use the water in the cooler months when water requirements are reduced, and they can use good mineral nutrition to preclude deficiencies in trace minerals. I know that oil-field discharge water is of value to your operation and others throughout the state. With good nutrition and management, I believe that that water can continue to enhance the productivity and profitability of your operation. The water is a benefit, not a detriment, to the state of Wyoming.

Please call if you have any questions.

Sincerely,

Dr. Trey Patterson
Patterson Nutrition Company, Inc.
307-461-1001