

MEMORANDUM

TO:	Carbon County Planning Board
FROM:	Monica Plecker
DATE:	February 9, 2016
RE:	Summary of Existing Oil and Gas Review in Montana

During the Planning Board meeting last month, there was necessary follow-up related to some specific oil and gas items. Specifically the Board wanted to have an understanding of where there are gaps in regulation. As a result, planning staff met with the Board of Oil and Gas on January 20th and Carbon County DES on February 10th.

- **Dust Control**: The DEQ as a part of their emissions program regulates dust at the well site only. The County Road and Bridge department may want to consider some type of increased dust control in concert with industry near potential well sites. This would fall outside of a development permit
- **Water Quality**: At this time, no agency requires water testing prior to drilling, during, or after drilling is complete.
- **Public Notice and Request for Hearing**: The Board of Oil and Gas is in the process of rewriting the rules related to public notice. Currently, the Board of Oil and Gas requires the drilling applicant to place a notice in the paper. There are no adjacent property owner notices, however, the Board of Oil and Gas allows anyone to request a hearing. The current notice includes information that is related to the legal description, proposed depth of the well. Any party wishing to request a formal hearing must notify in writing the Board of Oil and Gas and the applicant within 10 days of ad publication. Each written request for a hearing shall include the name, address, and telephone number of each interested party, their ownership interest in the land surrounding the proposed well, and the reason why a hearing is sought.

In a meeting with the Montana Board of Oil and Gas, Director Jim Halvorson said the Board would be considering updates to require notice to all property owners within a quarter mile of the site. In looking at the other states and communities, the DNRC has determined a quarter mile seemed to be reasonable and "middle-ground".

- **Environmental Assessment**: As a part of applications made to the Montana Board of Oil and Gas, an environmental assessment is completed by Board of Oil and Gas staff. These environmental assessments have several topics that are considered. These include:
 - Air quality
 - o Water quality
 - o Soils/ Vegetation/ Land Use
 - Health Hazards/ Noise

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MEMORANDUM (cont.)

- Wildlife/ Recreation
- o Historical/ Cultural/ Paleontological
- Social/ Economic
- **Board of Oil and Gas Permit Applications**: The Board of Oil and Gas has provided the county with a blank application. Staff has also spent time reviewing existing permits in Carbon County and other areas of the state. The Board of Oil and Gas does have the ability to place conditions of approval on a proposed well site. As an observation of recently issued permits across the state, the conditions of approval seem to relate to the oil and gas structure itself, lining of holding ponds, etc.
- Emergency Services: At the current time there is no submittal or information required to be provided to Carbon County DES as a part of any oil and gas activity. I spoke with Carbon County DES Coordinator Tom Kohley for feedback. He stated that right now the County has a good handle on pipeline and transmission as it relates to oil and gas. He even provided an example of how some pipeline companies provide the County with information in relation to High Consequence Areas. These are areas where a pipeline may be located in the vicinity of a high volume area. Tom did feel that a systematic approach to getting more information related to transient, mobile or newly developed oil and gas activity would be of benefit to the County from a safety perspective.