

# **Blue Book**

**Department of Environmental Quality  
Office of Oil, Gas, and Minerals**

## 06 - Memorandums of Understanding

## MEMORANDUM OF UNDERSTANDING

between

ST. CLAIR COUNTY

Department of Public Works  
and

**MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY**

### **SOIL EROSION AND SEDIMENTATION CONTROL COORDINATED PERMITTING AND ENFORCEMENT PROCEDURES**

#### **PURPOSE**

The purpose of this agreement is to implement a standardized process for Soil Erosion and Sedimentation Control permitting for oil and gas exploration and development activities; and to define procedures for inspection and enforcement.

#### **JURISDICTION AND AUTHORITY**

The procedures described in this agreement are pursuant to Part 91, Soil Erosion and Sedimentation Control ("Part 91") and Part 615, Supervisor of Wells ("Part 615"), Natural Resources and Environmental Protection Act, 1994 P.A. 451, as amended.

#### **DEFINITIONS**

For purposes of this memorandum of understanding, the following terms are defined:

"Surface facility" means a facility used in the production, processing, or treatment of oil or gas, or for the injection of associated fluids, including pumping equipment, separators, storage tanks, treatment equipment, and compressors.

"Flow line" means piping that connects an oil or gas well or wells to a surface facility.

#### **RESPONSIBILITIES OF DEPARTMENT OF ENVIRONMENTAL QUALITY AND COUNTY ENFORCING AGENCIES**

The responsibilities of the Department of Environmental Quality (DEQ) and County Enforcing Agencies (CEA) in review of permit applications, inspection, and enforcement are as follows.

1. The DEQ agrees to honor the CEA permitting review process for flow lines as the process is defined under the "Permitting Procedure" section of this agreement; provided that in case of conflict as to the location of flow lines, the provisions of Part 615 shall take primacy.

2. The CEA agrees to honor the DEQ Permit to Drill and Operate, which shall include erosion control plan approval for well sites, access roads, flow lines, and surface facilities.
3. If erosion occurs or will reasonably occur, the CEA shall have enforcement authority at well sites, access roads, surface facilities, and flow lines, whether or not a permit has been issued by the CEA; provided actions or requirements by the CEA shall not interfere with safety and environmental protection concerns pursuant to the requirements of Part 615.
4. The DEQ agrees that if a project encompasses a geographic area covered by more than one CEA, each CEA may handle erosion control permitting review, inspection, and enforcement for its respective area.
5. CEA fees shall be set at amounts no higher than necessary to fund a reasonable program for permitting review, inspection of sites, and enforcement.

#### PERMITTING REVIEW PROCEDURE

Permit application, review, and issuance shall conform to the following procedure:

1. An applicant shall submit a Soil Erosion and Sedimentation Control Plan ("Plan"), including any amendments, as part of an application for Permit to Drill and Operate to the Geological Survey Division (GSD) of the DEQ. The applicant shall submit a copy of the Plan to the CEA at the same time. The copy of the Plan submitted to the CEA should be accompanied by appropriate fees. Plans will be submitted on the form which is attached to and made a part of this agreement. The form may be subsequently changed upon agreement by both parties.
2. The GSD shall review the Plan for well sites, access roads, flow lines, and surface facilities. The CEA shall review the Plan for those portions of flow lines that extend beyond the well pad. The CEA may also review the Plan for well sites, access roads, and surface facilities, at the CEA's discretion. The CEA shall submit recommendations to the GSD within 30 days of receipt. The time frame may be accelerated by GSD for exceptional circumstances for well site and access road reviews.
3. Within the 30 day review period, the CEA shall do one of the following:
  - (a) Recommend approval of the Plan. The recommendation will be sent to GSD and incorporated as part of the GSD application review.
  - (b) Require modifications to the Plan. The CEA will contact the applicant, explain the concerns, and attempt to resolve any issues with the applicant. The CEA will notify GSD of any modifications required for CEA approval. If a satisfactory modified Plan is developed, the CEA will approve it as in (a) above. If not, then the CEA will follow step (c).

- (c) Recommend disapproval of the Plan. Copies of the recommendation will be sent to both the applicant and GSD, with a statement of the reasons for disapproval and conditions required for approval. GSD will consider the CEA's objections as part of its review and decision as to issuance of a Permit to Drill and Operate.
  - (d) Take no action. In this instance, the GSD will proceed with application review on the assumption that the CEA has no comments or recommendations.
4. If substantial revisions are made to the Plan pursuant to GSD review, a copy of the amended Plan will be provided by the applicant to the CEA. The CEA will have 15 days to review the amended Plan and take action in accordance with 3.(a) - (d) of this permitting review procedure. GSD will issue a Permit to Drill and Operate when it is satisfied all statutory requirements are met. Issuance of a Permit to Drill and Operate constitutes a finding by the Supervisor of Wells that the permittee is in compliance with Part 91 of Act 451, P.A. 1994, as amended. All work done under the permit is subject to the conformance bond filed with the DEQ under the provisions of Part 615.
5. Permittee begins permitted work.

#### INSPECTION AND ENFORCEMENT

1. The CEA will conduct periodic field inspection of earth change activities. The GSD will conduct periodic field inspections of all oil and gas exploration and production activities.
2. If the CEA discovers a soil erosion and sedimentation control problem, the CEA will pursue the following actions:
  - (a) The CEA will discuss the problem directly with the operator and provide direction in resolving the problem.
  - (b) If the CEA is not satisfied with the progress in resolving the problem, the CEA shall notify GSD, and GSD will pursue appropriate compliance action under its statutory authority.
3. If the GSD discovers a soil erosion and sedimentation control problem, the GSD will pursue the following actions:
  - (a) The GSD will discuss the problem directly with the operator and provide direction in resolving the problem.
  - (b) If the GSD is not satisfied with the progress in resolving the problem, the GSD shall notify the CEA. GSD will pursue appropriate compliance action under its permit authority.

4. The CEA may proceed under its own enforcement authority at any time to ensure that soil erosion and sediment control requirements are met.

**EFFECTIVE DATE**

This agreement shall become effective upon signature by both parties. This agreement may be terminated by either party by giving 30 days written notice to the other party of intent to terminate.

**DEPARTMENT OF ENVIRONMENTAL QUALITY:**

By *Harold R. Ford*

Date *6-16-00*

ST. CLAIR COUNTY: DEPARTMENT OF PUBLIC WORKS

By *[Signature]*  
Donald M. Maronde, Director

Date *April 14, 2000*

# SOIL EROSION & SEDIMENTATION CONTROL PLAN

By authority of Part 91, and Part 615 or Part 625 of Act 451 PA 1994, as amended. Non-submission and/or falsification of this information may result in fines and/or imprisonment.

Part 615 Oil/Gas Well     Part 625 Mineral Well

Well or project name: _____  4. Name and address of County or local Enforcement Agent (CEA)  Phone: (____) _____ Fax: (____) _____	1. Name and address of applicant  Phone: (____) _____ Fax: (____) _____  3. Well or project location: Section(s) _____ T _____ R _____  5. Township _____ 6. County _____  7. Date earth changes expected to start _____  8. Date of expected completion _____
9. Name and address of person responsible for earth change:  Phone: (____) _____ Fax: (____) _____	10. Name and address of person responsible for maintenance:  Phone: (____) _____ Fax: (____) _____
11. Send copies of supplemental plat required by Part 615, R 324.201(2)(b) or R 324.504(4), and this form and all attachments, to CEA.  Date sent to CEA _____	

## EARTH CHANGE ACTIVITIES

12. Project description: (Project activities may be permitted sequentially.)

a. Number of well sites _____ acres	d. Flow line(s) trenched in off well site* _____ feet, _____ acres
b. Number of surface facility sites _____ acres	e. Flow line(s) plowed in off well site* _____ feet, _____ acres
c. New access roads _____ feet, _____ acres	*Contact CEA for fee schedule

13. Describe sites for which permits are being sought under Part 301 (Inland Lakes & Streams) \_\_\_\_\_  
 Describe sites for which permits are being sought under Part 303 (Wetlands) \_\_\_\_\_  
 List file numbers if known \_\_\_\_\_  
 Areas requiring control structures \_\_\_\_\_  
 Will earth changes occur in areas with slopes of 10% or greater; areas where runoff water is likely, such as runs greater than 500' of moderate slope (5% to 10%), narrow valley bottoms, etc.; areas within 500' of a lake or stream; or other areas where sedimentation to a wetland or drainage way may occur?  
 Yes Attach detail map at scale of 1"=200' or larger, with contour lines at a minimum of 20' intervals OR percent slope descriptions.  
 Also indicate any of the following erosion control structures that will be utilized. Identify location on map and attach detail plan.  
 Indicate on plan whether erosion control structures are temporary or permanent.  
 Diversions    Culverts    Sediment basins    Silt fences    Rip-rap    Berms    Check dams    Other \_\_\_\_\_  
 No

15. Site restoration  
 Topsoil will be segregated from subsoil and stockpiled    OR     No topsoil on site  
 Recontour and revegetate as soon as weather permits. Seed mix \_\_\_\_\_  
 Describe other proposed methods of restoration \_\_\_\_\_

16. Application prepared by (name) \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

### FOR USE OF COUNTY OR LOCAL ENFORCING AGENT

INSTRUCTIONS TO COUNTY OR LOCAL ENFORCMENT AGENT: Return this form to the applicable field or district office of the Geological Survey Division within 30 days of receipt. Explain reasons for recommendation or disapproval and conditions required for approval. Include copies of any revisions to the plan.

17. Comments \_\_\_\_\_

Conducted on site inspection    Date \_\_\_\_\_  
 Inspected site with representative of applicant    Date \_\_\_\_\_

is  Approved     Disapproved

CEA signature \_\_\_\_\_ Date \_\_\_\_\_



STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



JENNIFER M. GRANHOLM  
GOVERNOR

STEVEN E. CHESTER  
DIRECTOR

March 21, 2005

Ms. Rebecca Humphries, Director  
Michigan Department of Natural Resources  
P.O. Box 30028  
Lansing, Michigan 48909

Dear Ms. Humphries:

Enclosed for your signature are two copies of the Memorandum of Understanding (MOU) between our two agencies. Please return one signed copy for our records.

The MOU contains language agreed to by our staff as appropriate for accomplishing the activities and responsibilities as they relate to oil and gas permits.

Should you have any questions concerning this matter, please contact Mr. Harold R. Fitch, Director, Office of Geological Survey, Department of Environmental Quality (DEQ), at 517-241-1548, or you may contact me.

Sincerely,

Steven E. Chester  
Director  
517-373-7917

Enclosures

cc/enc: Mr. Stanley F. Pruss, Deputy Director, DEQ  
Mr. Harold R. Fitch, DEQ

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY  
AND THE  
MICHIGAN DEPARTMENT OF NATURAL RESOURCES**

**RELATING TO OIL AND GAS PERMITS**

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**SECOND AMENDED TRANSITION AGREEMENT #27, MOU #4**

This Memorandum of Understanding (MOU) between the Michigan Department of Environmental Quality (MDEQ) and the Michigan Department of Natural Resources (MDNR) is entered into for the sole purpose of exchange of information and recommendations associated with the processing of oil and gas permit applications pursuant to Part 615, Supervisor of Wells, of the Natural Resources and Environmental Protection Act, 1994 PA 451 (NREPA), as amended.

The purpose of the MOU is to establish procedural protocols for:

1. Ensuring a smooth efficient oil and gas permit application review process while resolving disagreements to the greatest extent possible.
2. The MDEQ to assist the MDNR in proprietary decision-making and management responsibilities for state-owned surface under MDNR jurisdiction by providing oil and gas permit application information to the MDNR.
3. The MDNR to assist the MDEQ in oil and gas permit issuance decision-making by providing natural resource impact information to the MDEQ.

**Responsibilities of the MDEQ**

1. The Office of Geological Survey (OGS) shall provide a copy of the "Weekly Permit List" via e-mail to MDNR's Forest, Minerals, and Fire Management Division (FMFM) and others as requested within the MDNR.
2. Upon receipt and logging in (receipt) of a permit application submitted pursuant to Part 615, the OGS shall provide FMFM with a scanned copy of the application via e-mail when the proposed well site is to be located on state-owned surface. The OGS will provide MDNR 20 calendar days from the date of application receipt on state-owned surface, to complete their review of the application and provide a resource evaluation and recommendation to the OGS area geologist. The permit decision(s) will not be made until the 20-day calendar time frame passes or until MDNR provides comments, whichever comes first.
3. The OGS shall provide a request via e-mail, with scanned attached application, to the MDNR Wildlife Division (Wildlife) within 5 days of receiving the application, for information on the presence of state- or federally-listed threatened or endangered species, when those species are identified on the Natural Features database. The OGS permit coordinator (for 3a) or district staff (for 3b and 3c) shall seek a resources evaluation from the appropriate MDNR manager on state- or privately-owned surface lands that are suspected or known to:
  - a. Contain state- or federally-listed threatened or endangered species.
  - b. Be in a special MDNR management area, such as the Jordan Valley Management Area (JVMA), Hunt Creek, or Pigeon River Country State Forest (PRCSF)

- c. Be in a special ecologically sensitive area such as old growth, quiet area, or in a special wildlife habitat such as a winter deeryard, Kirtland Warbler nesting area, or a designated natural area.

The OGS will provide the MDNR 15 calendar days from the date of a request to complete a resources evaluation under this provision, except under 3a, for those species that the OGS and Wildlife have agreed will be protected by mutually acceptable permit conditions under No. 2 of "Responsibilities of the MDNR." For those species, the OGS permit coordinator will notify Wildlife but Wildlife may delay or choose not to perform a review.

4. During the MDNR review periods, designated OGS district staff will work interactively with appropriate MDNR managers in the following manner: On all lands, OGS district staff will attempt to incorporate recommendations made by the MDNR to minimize the negative impacts to natural resources from the activities proposed in the permit application.

If OGS district staff and MDNR managers cannot agree to a final permit application resolution, the matter will be referred to conflict resolution.

#### **Responsibilities of the MDNR**

1. The MDNR will provide, on a frequent basis, updated maps and access to digital data (CIWPIS or other data) that delineates state-owned surface land under their jurisdiction, and lands that are suspected or known to:
  - a. Contain state- or federally-listed threatened or endangered species.
  - b. Be in a special MDNR management area, such as the JVMA, Hunt Creek, or PRCSF.
  - c. Be in an ecologically sensitive area such as old growth, or quiet area, or in a special wildlife habitat such as a deeryard, Kirtland Warbler nesting area, or designated natural area as that information becomes available.
2. Wildlife will identify the state- or federally-listed threatened or endangered species that it agrees will be protected by mutually acceptable permit conditions on the drilling permit.
3. Upon written request via email, with attached scanned application, Wildlife will provide to the OGS permit coordinator and area geologist, information on the presence of any state or federally listed threatened or endangered species within 15 calendar days from the date of written request.
4. After receipt of the weekly permit list, FMFM will notify the OGS's Permit and Bonding Unit within 15 days of receipt of the permit list, of any unleased state-owned minerals lying within the proposed drilling unit.
5. Within 15 calendar days from the date the MDNR receives a request from the OGS for a resources evaluation as provided in Item No. 3 under "Responsibilities of the MDEQ" - or - independently, within 20 calendar days from the date the OGS receives an oil or gas drilling permit application on state-owned surface managed by the MDNR, the MDNR manager from the appropriate land-managing division will provide a resources evaluation and recommendations to the OGS area geologist regarding potential impacts from drilling and operating a well at the proposed well site. The MDNR manager will use the following guidelines when preparing a resources evaluation:

Memorandum of Understanding  
Oil and Gas Permits  
Page 3

- a. They shall evaluate the impact(s) of the application on surface, soils, animal, fish, or aquatic life, property, or other natural resource values from the proposed oil and gas operation.
- b. All reasonable efforts will be made to accommodate the permitting of drilling and operating a well at the proposed well site.
- c. The MDNR manager shall make every effort to incorporate only those permit conditions and mitigation measures necessary to reduce impacts to an acceptable level.
- d. For any permit modifications, the MDNR manager shall note the resources impacted by the proposed activity and how the changes will minimize those impacts to an acceptable level.
- e. A recommendation for permit denial will be reserved for only those cases where no proposed activities can be allowed without unacceptable impacts to resources or is in violation of the law. Any recommendation for denial will include a description of the resources impacted and why no activities can be allowed.

If no response is made by the MDNR within 15 days from an OGS request (or otherwise 20 days from application receipt), the OGS area geologist shall assume the MDNR has no concern with the permit application as submitted.

**Conflict Resolution**

If the MDEQ and the MDNR staffs cannot agree on the final permit application conditions for approval or denial, the matter will go to conflict resolution. The MDEQ, OGS geological services supervisor and appropriate MDNR land-managing division field coordinator will have 10 days to develop a mutually acceptable permit decision. If the matter cannot be resolved within 10 days, a final recommendation may be sent from the MDNR land-managing division chief to the OGS director. The supervisor of wells, or his or her designated assistant, will make the final permit decision.

**Review of the MOU**

Upon written request by either party, representatives of both parties will meet within 30 days of such request to review the effectiveness of the MOU and initiate any necessary alterations.

This agreement shall be effective upon the signature of both parties. Termination may be made by either party upon 30 days' written notice.

In witness thereof, the parties sign their names as evidence of their approval of this Memorandum of Understanding.



Steven E. Chester, Director, MDEQ

3-25-05  
Date

Rebecca Humphries, Director, MDNR

Date

MEMORANDUM OF UNDERSTANDING  
Between the  
AIR QUALITY DIVISION AND THE GEOLOGICAL SURVEY DIVISION

The Air Quality Division and the Geological Survey Division shall jointly implement and enforce the provisions of the Air Pollution Act (Act 348, Public Acts of 1965, as amended) as it applies to oil and gas drilling and operating facilities in the state. These facilities are also regulated by the Supervisor of Wells with Act 61 (PA 1939, as amended). To reduce duplicative and potentially confusing regulation of the industry, the two divisions agree to the following division of duties in implementing these two statutes:

I. Geological Survey Division

The Supervisor of Wells and his authorized representatives shall have the lead responsibility for:

- a. All routine oil and gas lease site and associated producing facilities inspections.
- b. All emergency actions, including shutting in wells or halting drilling operations.
- c. Notification to oil and gas operators of the need to apply for Act 348 permits as appropriate.
- d. Evaluation of lease sites and associated producing facilities and making recommendations to Air Quality Division and the Air Pollution Control Commission (APCC) relative to issuance of Act 348 Permits to Install and to Operate.
- e. Inspection of lease sites and associated producing facilities for compliance with Act 348 permits.
- f. Initiation of compliance efforts with oil and gas operators when there are violations of Act 348 permitted producing facilities.
- g. Referring compliance matters to Air Quality Division should escalated enforcement action for violations of Act 348 permitted producing facilities be appropriate.
- h. Investigation of odor complaints from lease sites and associated producing facilities and enforcement to resolve these odor nuisances.

MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
OFFICE OF GEOLOGICAL SURVEY  
AND THE  
WASTE AND HAZARDOUS MATERIALS DIVISION

INVESTIGATION AND RELEASE OF RADIOLOGICALLY-CONTAMINATED SITES  
REGULATED UNDER PARTS 615 AND 625 OF THE NATURAL RESOURCES AND  
ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, AS AMENDED

This Memorandum of Understanding (MOU) describes the manner in which the Office of Geological Survey (OGS) and Waste and Hazardous Materials Division (WHMD) staff will coordinate their activities to more efficiently regulate radioactive material at OGS-regulated sites.

Background

Radioactive material known as technologically enhanced naturally occurring radioactive material (TENORM) exists at some oil, gas, and mineral wells, at some brine injection wells, and at some central production sites. TENORM is caused by radon gas progeny or radium compounds in produced water streams that accumulate as insoluble scales or immiscible sludges and that contaminate land, equipment, and waste.

The OGS regulates the environmental impacts of well drilling operations, brine disposal wells, oil and gas production sites, and gas storage wells under Part 615, Supervisor of Wells, and Part 625, Mineral Wells, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA).

The following OGS documents pertain to the management of TENORM:

1. Supervisor of Wells order 3-6-92 & Supervisor of Mineral Wells order M1-6-92, *The Need and Desirability to Issue an Order Establishing Particular Requirements for Plugging of Wells Where Naturally Occurring Radioactive Material May Be Present*; and
2. Supervisor of Wells Instruction 1-92, *Utilization of Survey Instruments Relating to Naturally Occurring Radioactive Materials*.

The WHMD has the authority to regulate TENORM under Part 135, Radiation Control, of the Public Health Code, 1978 PA 368, as amended, and the *Ionizing Radiation Rules Governing Radioactive Material*. The WHMD has never established a formal TENORM oversight program. Instead, WHMD staff has encouraged voluntary control and cleanup efforts using criteria set forth in form EQC 1602, *Cleanup and Disposal Guidelines for Sites Contaminated with Radium-226* (Cleanup and Disposal Guidelines).

In 2003 evaluators from the Interstate Oil and Gas Compact Commission's State Review of Oil and Natural Gas Environmental Regulations, Inc., issued a report with a finding that the OGS and WHMD regulatory expectations were generally adequate in the area of TENORM control.

In 2004 and 2005 a TENORM stakeholders' workgroup met to discuss enhancing DEQ regulatory control over this material. At these meetings, the Michigan Oil and Gas Association (MOGA) expressed continued support for one-stop interaction only with the OGS. However,

MOGA did support the development of an MOU between the OGS and WHMD to clarify our respective roles on this matter and to provide better control of radioactive contaminants.

### Intent

The intent of this MOU is to establish a framework for the control of TENORM-contaminated materials in a way that:

- Establishes minimal requirements on permittees while on-site operations continue;
- Ensures that TENORM contamination is remediated before a site is closed;
- Prevents contaminated materials from going off-site into uncontrolled areas or for uncontrolled uses; and
- Encourages permittees to be mindful of TENORM issues while operating and to be proactive in the management of TENORM-contaminated materials.

### Responsibilities of OGS

The OGS shall have the primary responsibility for investigating and requiring cleanup of impacted land and equipment at OGS-regulated sites. The OGS will coordinate activities with the WHMD to ensure that radiological contamination of equipment, land, and wastes is properly surveyed and safely managed.

1. At the time of planned closure, plugging, or abandonment of an OGS-regulated site, the OGS shall require the permittee to conduct a radiological survey of land, equipment, and waste material. If the survey indicates that TENORM is present at the site, the permittee must submit a TENORM characterization report and site remediation plan to the OGS. At a minimum, this report shall identify the radionuclides present and their concentrations in picocuries per gram. The OGS will forward the characterization report and site remediation plan to the WHMD for review. With the WHMD input, the OGS shall approve a site remediation plan when it is considered adequate to ensure that WHMD's Cleanup and Disposal Guidelines will be met.

Such a site will not be released from OGS regulatory control until:

- a. Land and remaining structures have been cleaned in accordance with the approved remediation plan and to the unrestricted use standards set forth in the Cleanup and Disposal Guidelines; and
  - b. An acceptable post-cleanup, final status report is received and approved.
2. The OGS and WHMD agree that TENORM-contaminated machinery and equipment may be reused for similar purposes within the oil and gas industry. An OGS permittee shall not transfer TENORM-contaminated material, equipment, or waste to a non-OGS-regulated site (such as a pipe yard, landfill, or scrap metal broker) without WHMD approval and permission of the owner or operator of the receiving site.
  3. The OGS will maintain information regarding TENORM issues in its permittee files.

Responsibilities of WHMD

The WHMD shall provide technical support to the OGS and will coordinate all visits to OGS-regulated sites with OGS staff.

1. WHMD staff shall not normally conduct an initial visit to an OGS-regulated site unless accompanied by OGS staff. With the approval of the permittee, follow-up visits by WHMD staff may not require OGS accompaniment. During a visit, WHMD staff shall comply with all applicable MIOSHA rules and verbal safety instructions given by OGS staff and/or site workers.
2. WHMD may visit OGS-regulated sites to perform activities such as radiation surveys, field sample collection, and analysis. WHMD staff may survey OGS-regulated sites that release material to non-OGS-regulated sites without prior approval of that release. WHMD staff may conduct confirmatory surveys to verify the accuracy of a site characterization report or that a site meets all applicable criteria for unrestricted release. The WHMD shall report its site activities and findings in writing to the OGS.
3. The WHMD shall review TENORM characterization reports and site remediation plans submitted to the OGS and will provide comments and recommendations in writing to the OGS.
4. The WHMD shall develop guidance for OGS staff, workers at regulated sites, and permittees addressing:
  - a. Radiation survey protocols for permittees to use;
  - b. Radiation safety at sites with TENORM; and
  - c. Radiological cleanup of active sites with excessive TENORM contamination.

Annual Meeting

The OGS and WHMD agree to meet at least once a year to discuss the TENORM Program.

Modification or Termination

This MOU shall be effective upon the signature of both parties and may be modified upon the mutual consent of the chiefs of the OGS and WHMD. Termination may be made by either party upon 30 days' written notice.

In witness thereof, the parties sign their names as evidence of their approval of this MOU.

For the Office of Geological Survey:

For the Waste and Hazardous Materials Division:

  
\_\_\_\_\_

Harold R. Fitch, Chief

Date: 4/8/08

  
\_\_\_\_\_

George W. Bruchmann, Chief

Date: 4/1/08

**Karen Shaler - New MOU Between OGS and WHMD Re:TENORM**

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**From:** Karen Shaler  
**To:** Patricia Dunn  
**Date:** Tuesday, April 15, 2008 2:03:41 PM  
**Subject:** New MOU Between OGS and WHMD Re:TENORM  
**CC:** George Bruchmann; Jennifer Keyes; John McCabe; Liane Shekter Smith; Linda Sandborn; Rebecca Patrick; Thor Strong

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Attached is a PDF of the subject MOU, which is new and needs to be added to the MOU spreadsheet on the Intranet. I'll place an original document for FBSD's MOU file in your Executive Division mail slot this afternoon.

**RECEIVED**  
**APR 15 2008**  
**BUDGET DEV. OFFICE**  
**ENVIRONMENTAL QUALITY**

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
AIR QUALITY DIVISION  
AND THE  
OFFICE OF GEOLOGICAL SURVEY**

**RESPONSIBILITIES FOR REGULATION OF OIL AND GAS OPERATIONS**

This Memorandum of Understanding (MOU) between the Air Quality Division (AQD) and the Office of Geological Survey (OGS) is to clarify respective program responsibilities and to reduce duplicative efforts regarding the regulation of certain air emissions and control of nuisance odors generated by the oil and gas industry.

**Background**

The AQD and OGS share mutual goals of providing efficient and effective regulation related to the oil and gas industry. The AQD regulates emissions of hydrocarbons, hydrogen sulfide (H<sub>2</sub>S), sulfur dioxide (SO<sub>2</sub>), and control of nuisance odors under the provisions of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA). The OGS regulates emissions of hydrocarbons and H<sub>2</sub>S and control of nuisance odors under Part 615, Supervisor of Wells, of the NREPA. AQD and OGS agree to the division of responsibilities listed below in implementing these two statutes.

**Definitions**

1. Central production facility – production equipment which has been consolidated at a central location that provides for the commingling of oil or gas production, or both, from two or more wells or production units of diverse ownership or from two or more prorated wells or production units.
2. Gas processing facility – a facility to treat gas from diverse owners after primary treatment and/or transfer of custody.
3. Gas storage – the use of depleted oil or gas pool, salt cavern, or other porous strata utilized for the purpose of injecting and withdrawing gas from the depleted oil or gas pool, salt cavern, or other porous strata.
4. Gas sweetening facility – a facility used to remove H<sub>2</sub>S from natural gas from diverse owners after primary treatment and/or transfer of custody.
5. NSPS – federal New Source Performance Standards.
6. Nuisance odor – an emission of any gas, vapor, fume, or mist, or combination thereof, from a well or from a facility associated with the production, transportation, treatment, or processing of oil or gas, or both, in whatever quantities, that causes, either alone or in reaction with other air contaminants, injurious effects to human health or safety; unreasonable injurious effects to animal life, plant life of significant value, or property; or unreasonable interference with the comfortable enjoyment of life or property.
7. Production facility – a surface facility used in the injection of fluids or in the production, processing, or treatment of oil or gas, or both, including any of the following: pumping

equipment; fluid disposal equipment; facility piping; load outs; separators; storage tanks; treatment equipment; and compressors. "Production facility" refers to equipment and processes associated with oil and gas before the first point of sale or transfer of custody from the producer. It includes a central production facility but not a gas processing facility or gas sweetening facility.

8. Renewable operating permit (ROP) – A permit required for the following stationary sources: A major source that emits, or has the potential to emit, in the aggregate, any of the following: ten tons per year of any hazardous air pollutant that has been listed under Section 112(b) of the clean air act; twenty-five tons per year of any combination of hazardous air pollutants that have been listed under Section 112(b) of the clean air act; one hundred tons per year or more of any of the following: lead, SO<sub>2</sub>, nitrogen oxides, carbon monoxide, PM-10, ozone, volatile organic compounds.
9. Stationary source – all buildings, structures, facilities, or installations which emit or have the potential to emit one or more air contaminants, which are located at one or more contiguous or adjacent properties, which are under the control of the same person, and which have the same 2-digit major group code associated with their primary activity.

#### **Responsibilities of the Office of Geological Survey**

1. Primary investigation of odor complaints received relating to oil and gas wells and their production facilities (other than gas sweetening facilities and natural gas processing facilities that are subject to AQD regulations (PTI, ROP, and/or NSPS)); and as appropriate, initiating and escalating compliance enforcement actions necessary to resolve nuisance odors.
2. All emergency actions at wells and production facilities including shutting in wells or halting drilling operations.
3. Routine inspection of oil and gas drilling or production operations of oil and gas wells and associated production equipment to the point where product is transferred to a third party. This includes all aspects of well placement, well permitting, well drilling and rework operations, production operations, well plugging, and site restoration.
4. Compliance inspections and enforcement at oil and gas wells, including natural gas storage wells, and production facilities subject to regulation under Part 55 or Part 615 for emissions of hydrocarbons or H<sub>2</sub>S air contaminants; and where necessary, initiating and escalating compliance enforcement actions to resolve emissions violations.
5. Notification to AQD staff of new H<sub>2</sub>S wells or other oil or gas sources that may require an AQD Permit to Install (PTI).
6. Compliance inspections at production facilities subject to regulation under Part 55 or Part 615 for flares/incinerators designed to burn gas containing H<sub>2</sub>S, including compliance requirements of an AQD PTI. The OGS will operate with technical guidance from AQD regarding the design and operation of flares/incinerators.

7. Referring a complaint to AQD when a complaint of odors from gas sweetening facilities is received by OGS. OGS shall notify the appropriate AQD staff member by telephone and follow up with a written or email communication regarding the complaint.
8. Providing AQD and department Pollution Emergency Alert System (PEAS) coordinators with a list by area of OGS staff responsible for investigating odor complaints.

#### **Responsibilities of the Air Quality Division**

1. Primary investigation of odor complaints at gas sweetening facilities and natural gas processing facilities that are subject to AQD regulations (PTI, ROP, and/or NSPS); and as appropriate, initiating and escalating compliance enforcement actions necessary to resolve nuisance odors.
2. Issuing AQD PTI as they apply to the oil and gas industry.
3. Compliance inspections of gas sweetening facilities and natural gas processing facilities that are subject to AQD regulations (PTI, ROP, and/or NSPS).
4. Compliance inspections of production facilities subject to regulation under a PTI, ROP, and/or NSPS for air contaminants other than hydrocarbons or H<sub>2</sub>S.
5. Referring a complaint to OGS when a complaint of odors from oil and gas wells or production facilities is received by AQD. If the source of the odor is unknown, the complaint shall be referred to OGS for initial investigation. The appropriate OGS staff member shall be contacted by telephone and advised of the complaint. A written or email communication regarding the complaint shall also be sent to OGS.
6. Providing OGS and department PEAS coordinators with a list by area of AQD staff responsible for investigating odor complaints.

#### **Multimedia Responsibilities of AQD and OGS**

1. AQD and OGS agree with the concept of conducting multimedia inspections; and at times, may need to work together to obtain voluntary compliance with regulations of both programs. Where appropriate, AQD and OGS will conduct multimedia inspections and will send a joint letter regarding compliance issues to the company. The letter shall cite all violations, a primary DEQ contact to whom questions may be directed, and a requirement of the company to submit a plan for resolving the violation(s) including the date(s) by which actions are to be achieved.
2. In the event voluntary compliance of a multimedia investigation cannot be achieved within a reasonable time, AQD and OGS staff shall jointly refer the matter to the District Multimedia Coordinator for coordination with the Office of Civil Enforcement to determine the appropriate enforcement action.
3. AQD and OGS agree to provide technical support and expertise to each other regarding Part 55 and Part 615 escalated enforcement for H<sub>2</sub>S related odor complaints of a multi-program or an undetermined origin.

4. AQD and OGS agree to provide cross training for staff, which may include training sessions for review of Part 55 and Part 615 rules related to this MOU and H<sub>2</sub>S safety training.

**Conflict Resolution**

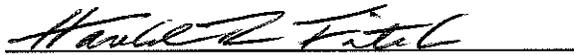
In the event that differences arise as to the conduct of an investigation or inspection, or the appropriate course of action to be taken in a particular situation, the Field Operation Supervisors of the two programs shall work to attain a mutually agreeable solution.

**Modification or Termination**

Upon written request by either party, representatives of both parties will meet within 30 days of such request to review the effectiveness of the MOU and initiate any necessary alterations.

This agreement shall be effective upon the signature of both parties and shall replace the existing MOU between these parties dated September 10, 1984. Termination may be made by either party upon 30 days' written notice.

In witness thereof, the parties sign their names as evidence of their approval of this MOU.



Harold R. Fitch  
Director  
Office of Geological Survey

Dated: June 30, 2008



G. Vinson Hellwig  
Chief  
Air Quality Division

Dated: 7/1/08

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY  
AND THE  
MICHIGAN DEPARTMENT OF NATURAL RESOURCES**

**REVIEW OF NONFERROUS METALLIC MINING PERMIT APPLICATIONS**

This Memorandum of Understanding (MOU) between the Michigan Department of Environmental Quality (MDEQ) and the Michigan Department of Natural Resources (MDNR) is entered into for the purpose of establishing the participation, roles, and procedural protocols of MDNR and MDEQ staff in reviewing applications for mining permits under Part 632, Nonferrous Metallic Mineral Mining, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA). The deadline dates herein are target dates; it is agreed they may be extended if necessary due to special circumstances.

**Definitions**

1. **Application File:** The file consists of: 1) a paper file kept at the Office of Geological Survey (OGS) central office, and 2) an electronic file on a shared network drive that is accessible to the OGS Chief, Minerals and Mapping Unit Supervisor, Mining Specialist, Mining Team Coordinator, Mining Team Members, Deputy Director, Forest Mineral and Fire Management Division Chief, Minerals and Land Management Section Manager, and other MDEQ and MDNR staff members as may be designated by the OGS Chief or Deputy Director. The contents of the Application File shall be as described in MDEQ Policy and Procedure 09-011.
2. **Mining Permit:** A Nonferrous Metallic Mineral Mining Permit under Part 632.
3. **Mining Permit Application** (or "**Application**"): Documents, maps, and other materials submitted for an application for a mining permit. The materials include but are not limited to: an environmental impact assessment; a mining, reclamation, and environmental protection plan; a contingency plan; a description of the financial assurance to be provided; a list of all other applicable permits and licenses that are anticipated to be required; an organization report; and details about beneficiation activities, if used.
4. **Mining Specialist:** An OGS geologist or mining engineer designated to oversee mining operations.
5. **Mining Team:** A multi-disciplinary team formed to review a mining permit application. A Mining Team is comprised of employees of the MDEQ and other state agencies, such as the MDNR; it may include outside contractors when required expertise is not available among state agency employees.
6. **Mining Team Coordinator:** The OGS Mining Specialist, unless another person is designated by the OGS Chief or MDEQ Director.
7. **MMU Supervisor:** Supervisor of the Minerals and Mapping Unit of the OGS.
8. **OGS:** The Office of Geological Survey of MDEQ.

**Responsibilities of the MDEQ**

1. Upon receipt of an Application or as soon as the MDEQ Director determines an Application will be submitted, the MDEQ Director will contact the MDNR Director to request designation of MDNR staff members for participation in a mining team as deemed necessary. The request will describe the specific areas of expertise needed.

2. The Mining Team Coordinator will provide a copy of relevant mining permit application materials and subsequent reports and supplemental information regarding an application, and will assure that MDNR members have access to the application file.
3. The Mining Team Coordinator will contact MDNR members of the mining team to schedule meetings of the mining team. The Mining Team Coordinator will chair meetings of the mining team to discuss issues that arise during review of the materials provided and to coordinate the actions of the mining team.
4. If the Mining Team Coordinator agrees with comments and recommendations of the MDNR, the comments and recommendations will be incorporated into permit decisions and conditions. If the Mining Team Coordinator disagrees with comments and recommendations of the MDNR regarding permit decisions and conditions, the issue will be referred as described under "Conflict Resolution."
5. The MDEQ will maintain the Application File and will consult with the MDNR prior to scheduling all public meetings and hearings and prior to making a permit decision.
6. The MDEQ will provide a copy of MDEQ Policy and Procedure 09-011 and will advise MDNR of any updates or modifications of the Policy and Procedure as soon as possible.

#### **Responsibilities of the MDNR**

1. The MDNR Director will designate MDNR staff members for participation in a mining team within 14 calendar days of receipt of a request from the MDEQ Director.
2. MDNR technical staff designated for participation will attend mining team meetings and provide comments, recommendations, and information in their respective areas of expertise.
3. MDNR technical staff will review the application file materials, and within 32 calendar days, or sooner if possible, after the application is determined to be administratively complete, provide comments and recommendations on any deficiencies in the application to the Mining Team Coordinator.
4. MDNR technical staff will participate in the public meeting required by Part 632.
5. MDNR technical staff in consultation with MMU Supervisor and other mining team members as necessary will participate in drafting summaries and responses to public comments within 14 calendar days after the close of the public comment period.
6. MDNR technical staff will review pertinent parts of the applicant's response to deficiencies.
7. Within 14 calendar days of receipt of applicant's response to deficiency letter (if deficiencies were identified) or within 14 calendar days after the close of public comments after the public meeting, the MDNR Director or Resource Management Deputy will provide the MDEQ Deputy Director with recommendation on the proposed permit decision and recommendations for proposed permit conditions should the mining permits ultimately be issued.
8. MDNR will participate in the public hearing required by Part 632.
9. MDNR technical staff in consultation with the MMU Supervisor and other mining team members as necessary will participate in drafting summaries and responses to public comments within 14 calendar days after the close of the public comment period following the public hearing.

10. MDNR technical staff in consultation with the Mining Team Coordinator and other mining team members will determine whether public comments submitted at and after the public hearing identify a need for additional information.
11. If public comments identify a need for additional information, MDNR technical staff will draft communications listing what additional information is needed and forward it to the Mining Team Coordinator.
12. The MDNR Director or Resource Management Deputy will provide recommendations to the MDEQ Deputy Director as to whether a mining permit should be granted or denied within 14 calendar days after the close of public comments pursuant to the public hearing.

**Conflict Resolution**

If the MDEQ and the MDNR Mining Team members cannot agree on the appropriate course of action, the matter will be referred to the respective Division Chiefs. The respective Division Chiefs will have 10 calendar days to develop a mutually acceptable course of action. If the matter cannot be resolved within 10 calendar days, the matter will be referred to the respective Deputy Directors for resolution.

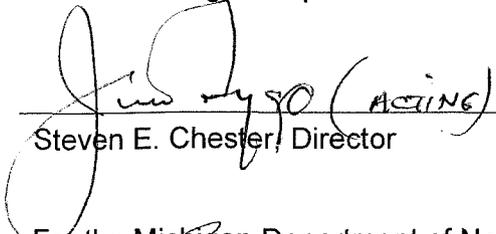
**Review of the MOU**

Upon written request by either party, representatives of both parties will meet within 30 days of such request to review the effectiveness of the MOU and initiate any necessary modifications.

This agreement shall be effective upon the signature of both parties. The agreement may be terminated by either party upon 30 days' written notice.

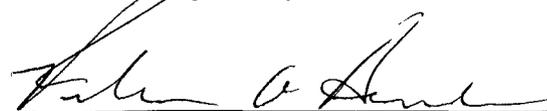
In witness thereof, the parties sign their names as evidence of their approval of this Memorandum of Understanding.

For the Michigan Department of Environmental Quality:

  
\_\_\_\_\_  
Steven E. Chester, Director

2/10/09  
\_\_\_\_\_  
Date

For the Michigan Department of Natural Resources:

  
\_\_\_\_\_  
Rebecca Humphries, Director

1/26/09  
\_\_\_\_\_  
Date

2/10/09

Mary Benson, DNR

Attached is one of the originals of the recently signed MOU. Your original copy is attached for distribution as appropriate within DNR.

Thank you.

Mary Beth Thelen  
DEQ  
17390

XC FMFM

RECEIVED  
FEB 11 2009  
DIRECTOR'S OFFICE  
NATURAL RESOURCES

**From:** Harold Fitch  
**To:** Koch, Arminda  
**CC:** Sandborn, Linda; Sygo, Jim  
**Date:** 01/16/2009 4:19 PM  
**Subject:** MOU - Mining Permit Review  
**Attachments:** MOU - Mining Permit Review.doc; Policy & Procedure No. 09-011.pdf

Mindy,

I have made the changes we agreed upon today. Please print two copies, have Director Humphries sign them, and send them back to me.

Also attached is a copy of the DEQ procedure.

Thanks -

Hal



DEPARTMENT OF ENVIRONMENTAL QUALITY  
POLICY AND PROCEDURES

**SUBJECT:** REVIEW AND PROCESSING OF NONFERROUS METALLIC  
MINERAL MINING PERMIT APPLICATIONS

**Number:** 09-011

**Date:** December 20, 2007

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**ISSUE:**

Review and processing of applications for Mining Permits under Part 632, Nonferrous Metallic Mineral Mining, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA) and the promulgated administrative rules.

**APPLICABLE STATUTES:**

Part 632, Nonferrous Metallic Mineral Mining, of the NREPA; MCL 324.63201 to 324.63223.

**DEFINITIONS:**

**Application:** Form Number EQP 7000 and attachments for a Nonferrous Metallic Mineral Mining Permit under Part 632 unless otherwise specified.

**Application File:** A two-part file consisting of (1) a paper file kept at the Office of Geological Survey (OGS) central office, and (2) an electronic file on a shared network drive that is accessible to the OGS Chief, Minerals and Mapping Unit Supervisor, Mining Specialist, Mining Team Coordinator, Mining Team Members, Deputy Director, and other Department of Environmental Quality (DEQ) staff members as may be designated by the OGS Chief or Deputy Director.

**DEQ:** The Department of Environmental Quality.

**GSS Supervisor:** Supervisor of the Geological Services Section of the OGS.

**Mining Specialist:** An OGS geologist or mining engineer designated to oversee mining operations.

**Mining Team:** A multi-disciplinary team comprised of the OGS Mining Specialist and any other technical specialists and contractors designated to review an Application.

**Mining Team Coordinator:** The OGS Mining Specialist, unless another person is designated by the OGS Chief or DEQ Director.

**MMU Supervisor:** Supervisor of the Minerals and Mapping Unit of the OGS.

**OGS:** The Office of Geological Survey.

**Mining Permit:** A Nonferrous Metallic Mineral Mining Permit under Part 632.

**FORMS USED:**

Application for Permit, Form Number EQP 7000.

**POLICY:**

All applications shall receive a rigorous and thorough review. The DEQ shall provide for and encourage effective public participation in the review and evaluation processes.

**OTHER PERMITS:**

An application must list all other state and federal permits that are anticipated to be required. A mining

## DEQ POLICY AND PROCEDURES

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permit is not effective until all other required permits and licenses have been obtained and are in effect.

### **MINING TEAM - ROLES AND RESPONSIBILITIES:**

A multi-disciplinary Mining Team will be established to review each application for a mining permit. Members of a Mining Team will be chosen based on specific expertise related to one or more aspects of the application, as needed. Mining Teams will be comprised of employees of the DEQ and other state agencies, such as the Department of Natural Resources, and may include outside contractors when required expertise is not available among state agency employees. The Mining Team may consult experts outside of the Mining Team as necessary on specific aspects of the application.

The Mining Team shall operate under the direction and guidance of a Mining Team Coordinator. The Mining Team Coordinator is responsible for setting meeting schedules and assuring that each member of the Mining Team provides input in accordance with the schedule as established by this procedure. Members of the Mining Team will represent the positions of their respective divisions or agencies in forming comments, recommendations, and draft documents, and are responsible for raising any program issues for resolution through the chain of command within their respective divisions or agencies within the time frames and deadlines under this procedure. Members of the Mining Team will provide comments and recommendations verbally or in writing (including by electronic mail) as appropriate and as determined by agreement between the Mining Team Coordinator and Mining Team members or by agreements to be reached between agencies.

The Mining Team Coordinator will represent the comments and recommendations of the team members in communications with DEQ management, and will provide an opportunity for review by team members of all comments and recommendations of the team by either circulating a draft document or placing the draft document in an electronic file (the Application File) for review by team members. The Mining Team Coordinator serves as single point of contact to request clarifications or explanations from an applicant based on questions raised by the Mining Team or by consultants to the Mining Team.

The Mining Team members shall strive to achieve consensus in their individual and collective recommendations. If consensus cannot be reached on any aspect of an application at any time in the review process, the issue shall be referred to the next supervisory level to be resolved between managers at corresponding levels in two or more bureaus, divisions, offices, or departments, or between the next supervisory level and the outside contractor, as applicable. If not resolved at a lower level, the Deputy Director will make the final determination.

All draft documents described in the procedure shall be retained in the designated location or format until they are superseded by an approved new draft or final document.

### **PROCEDURE:**

#### *Notes:*

*The DEQ Director and DEQ managers may designate another position to carry out any or all of the responsibilities of a specific position designated by this procedure within their respective chain of command.*

*Day or days, as used in this procedure, refers to calendar days. Deadlines for action steps are selected to meet statutory deadlines for stages of the application review. Extra time may be allowed in cases where a weekend or holiday falls within a three-day deadline; however, this may necessitate a corresponding decrease in the time allowed under other steps in order to meet a statutory deadline.*

## DEQ POLICY AND PROCEDURES

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### RESPONSIBILITY

### ACTION

#### ***PRE-APPLICATION***

- |  |  |
|--|--|
| OGS Mining Specialist  | 1. Upon learning of potential application, notifies MMU Supervisor of potential application and other anticipated permits required under NREPA. Encourages potential applicant to schedule a pre-application meeting or meetings with OGS and other bureaus, divisions, offices, and agencies, as appropriate, at least 30 days prior to submitting application. Files correspondence and any supporting documents in pre-application file.  |
| MMU Supervisor   | 2. Notifies GSS Supervisor and OGS Chief of potential application.   |
| OGS Chief  | 3. Notifies Deputy Director and Director of potential application and advises them on establishment of Mining Team to review potential application.<br><br>4. Directs OGS Senior Executive Management Assistant to establish Application File.   |
| OGS Senior Executive Management Assistant                                | 5. Establishes Application File. Transfers all documents in pre-application file to Application File.  |
| DEQ Director   | 6. In consultation with DEQ Senior Management Team, designates staff members for participation on Mining Team. Contacts Directors of other agencies for designation of their staff members for participation as deemed necessary. Approves outside contractors for participation on, or consultation with, the Mining Team.<br><br><i>Note: This step may occur later in the process, depending on when sufficient information is available; however, it should occur as early as reasonably possible. Additional members of the Mining Team may be designated later in the process as deemed necessary.</i> |
| DEQ<br>Bureau/Division/Office<br>Managers and other<br>involved agencies | 7. Assign staff participation on Mining Team as designated by Director.  |
| OGS Mining<br>Specialist/Mining Team<br>Coordinator                      | 8. Arranges for contracts with designated outside contractors.   |

## DEQ POLICY AND PROCEDURES

**SUBJECT: REVIEW AND PROCESSING OF NONFERROUS METALLIC  
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### RESPONSIBILITY

### ACTION

9. Coordinates pre-application meeting or meetings with potential applicant, members of Mining Team, and other DEQ staff as appropriate, including staff potentially involved in other NREPA permits that may be required for the proposed project.

Files correspondence and any supporting documents in Application File.

### **INITIAL APPLICATION REVIEW**

MMU Supervisor

10. Receives 10 paper copies and electronic copy of application, and Mail Transmittal Form showing \$5,000 permit application fee received in DEQ Cashier's Office. Retains at least two paper copies of application at central office for review by staff and public. Distributes remaining paper copies as follows.

- a. One copy to OGS Mining Specialist.
- b. One copy to a public library or other public building in the county where the mine is proposed to be located.
- c. One copy to the township where the mine is proposed to be located.
- d. One copy to OGS central office files to be made available for public viewing.
- e. One copy to OGS District Office to be made available for public viewing.
- f. Other copies may be distributed as deemed appropriate to facilitate public access.

Files application in Application File.

Ensures that sufficient copies are provided to the OGS Mining Specialist.

Arranges for application materials to be posted on DEQ Web site.

Within 24 hours of receiving Mail Transmittal Form, forwards account coding for permit application fee to OGS Budget Unit for processing.

Receives Deposit Transaction Detail Report as confirmation of posted permit application fee. Files in Application File.

Mining Team  
Coordinator

11. Notifies Mining Team members of means to access application. Within five days of receipt of application, sets schedule of review and initial meeting of Mining Team.

Files Mining Team correspondence in the Application File.

OGS Mining Specialist

12. Reviews application for administrative completeness. Within eight days after receipt of application (or supplemental information, if required under Step No. 14), sends memorandum to MMU Supervisor with recommendation.

Files correspondence and any supporting documents in Application File.

**DEQ POLICY AND PROCEDURES**

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<b>RESPONSIBILITY</b>	<b>ACTION</b>
MMU Supervisor	<p>13. Reviews recommendation on administrative completeness; within two days after receipt of memorandum from OGS Mining Specialist, forwards memorandum with comments to OGS Chief, and copies GSS Supervisor.</p> <p>Files recommendation in Application File.</p>
OGS Chief	<p>14. Makes determination on administrative completeness; within two days after receipt of recommendation from MMU Supervisor, sends letter to applicant advising of determination.</p> <p>If application is not administratively complete, letter specifies supplemental information needed, and the 14-day period for determining administrative completeness is tolled until the applicant submits to the DEQ the supplemental information and the DEQ reviews the information.</p> <p>Files letter to applicant in Application File.</p>
MMU Supervisor	<p>15. Arranges for determination of administrative completeness to be posted on DEQ Web site and copy placed at same locations as application (see Step No. 10).</p> <p>If application is administratively complete, go to Step No. 17.</p> <p>16. Receives specified supplemental information to make application administratively complete. Return to Step No. 12.</p>
Mining Team Members	<p>17. <i>Note: Step No. 17 begins simultaneously with Step No. 12.</i></p> <p>Beginning at time of receipt of application, review aspects of application within their respective areas of expertise; participate in Mining Team meetings; provide input and recommendations to Mining Team Coordinator.</p> <p>18. Within 28 days after application is determined to be complete, provide comments and recommendations on any deficiencies in application to Mining Team Coordinator.</p>
Mining Team Coordinator	<p>19. If no deficiencies are found, skip Step Nos. 19–22 and 34–36.</p> <p>Within seven days after receiving comments from Mining Team members on deficiencies, drafts a deficiency letter to the applicant addressing the unresolved issues identified by the Mining Team and forwards to MMU Supervisor.</p> <p>Files comments from Mining Team members and draft deficiency letter in Application File.</p>

**DEQ POLICY AND PROCEDURES**

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**RESPONSIBILITY**

**ACTION**

MMU Supervisor

20. Within three days after receipt of draft deficiency letter, reviews letter and forwards to OGS Chief with recommendations, and copies GSS Supervisor.  
Files revised draft deficiency letter in the Application File.

OGS Chief

21. Within 3 days after receipt of draft deficiency letter, finalizes deficiency letter and sends to applicant, with deadline for applicant to respond within 28 days.  
Replaces draft deficiency letter with final deficiency letter in Application File.

MMU Supervisor

22. Arranges for final deficiency letter to be posted on DEQ Web site.

**PUBLIC MEETING AND RESPONSE**

MMU Supervisor

23. *Note: Step Nos. 23–28 occurs simultaneously with Step Nos. 17–21.*  
Arranges for a public meeting to take place within 42 days after the application is determined to be administratively complete. Oversees procurement of meeting place, necessary equipment, and transcriber.
24. Provides notice of the public meeting 14 to 28 days before the date of the meeting as follows.
- a. By written notice to city, village, or township and the county where the mine is proposed to be located, and to all affected federally recognized Indian tribes.
  - b. By publication in a newspaper of local distribution in the area where the proposed mining operation is to be located.
- Arranges for notice of the public meeting to be posted on the DEQ Calendar 14 to 28 days before the date of the public meeting.  
Coordinates public meeting with other state permitting agencies.  
Files notice in Application File.

OGS Chief

25. Consults with Deputy Director on participation in public meeting.

Deputy Director

26. Designates staff members who will attend public meeting, and what their respective roles will be. Designates staff for moderator, security, and support functions. Advises senior management of DEQ and other involved agencies.

## DEQ POLICY AND PROCEDURES

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<b>RESPONSIBILITY</b>	<b>ACTION</b>
DEQ Bureau/Division/Office Managers and other involved agencies	27. Assign staff participation in public meeting as designated by Deputy Director.
DEQ and other agency staff as assigned	28. Participate in public meeting.
MMU Supervisor	29. Receives written public comments for 28 days following public meeting; forwards comments to Mining Team Coordinator.  Files public meeting transcript and written public comments in Application File (for duplicate comments or form letters, only one document will be filed in the electronic file; other duplicative documents will be filed in the paper copy file only).
Mining Team Coordinator	30. In consultation with MMU Supervisor and Mining Team members as necessary, writes draft summary and response to public comments. Provides draft summary and response document to MMU Supervisor within 14 days after close of public comment period.  Files draft summary and response document in Application File.
MMU Supervisor	31. Within three days after receipt, reviews draft summary and response to comments; forwards to OGS Chief with recommendations and copies GSS Supervisor.
OGS Chief	32. Within three days after receipt, finalizes and approves summary and response document.
MMU Supervisor	33. Arranges for final summary and response document to be posted on DEQ web site and copy to be placed at same locations as Application (see Step No. 10).  Replaces draft summary and response document with final document in Application File.

## DEQ POLICY AND PROCEDURES

**SUBJECT: REVIEW AND PROCESSING OF NONFERROUS METALLIC  
MINERAL MINING PERMIT APPLICATIONS**

**Number: 09-011**

**Date: December 20, 2007**

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### RESPONSIBILITY

### ACTION

34. *Note: Step Nos. 34–36 occurs simultaneously with Steps 29–32.*

Receives response to deficiency letter from applicant; forwards to Mining Team Coordinator within one day of receipt.

Arranges for response to deficiency letter to be posted on DEQ Web site and copies of deficiency letter and response letter to be placed at same locations as application (see Step No. 10).

Files response to deficiency letter in Application File.

Mining Team  
Coordinator

35. Within three days of receipt, forwards applicant's response to deficiency letter to applicable members of Mining Team and schedules meeting of Mining Team if necessary.

Mining Team Members

36. Within 14 days of receipt of applicant's response to deficiency letter (if deficiencies were identified) or within 14 days after close of public comments after public hearing, provide to Mining Team Coordinator recommendation on proposed permit decision and recommendations for proposed permit conditions should the Mining Permit ultimately be issued.

Mining Team  
Coordinator

37. Within three days of receiving recommendations from Mining Team on proposed permit decision and proposed permit conditions (if any), forwards recommendations to MMU Supervisor.

MMU Supervisor

38. Within three days of receiving recommendations from Mining Team Coordinator, prepares document explaining the basis for the proposed permit decision; forwards recommendations on proposed permit decision and proposed permit conditions (if any), and basis for decision document, to OGS Chief.

OGS Chief

39. Within three days of receipt from MMU Supervisor, finalizes proposed permit conditions (if any) and basis for decision document and issues proposed permit decision.

Files proposed permit decision, basis for decision document, and proposed permit conditions (if any) in Application File.

### **PROPOSED DECISION AND HEARING**

MMU Supervisor

40. Arranges for proposed permit decision, basis for decision document, and proposed permit conditions (if any), and announcement of public hearing to be posted on DEQ Web site and copies to be placed at same locations as application (see Step No. 10) within one day after receipt. Files above documents in Application File.

**DEQ POLICY AND PROCEDURES**

**SUBJECT: REVIEW AND PROCESSING OF NONFERROUS METALLIC  
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<b>RESPONSIBILITY</b>	<b>ACTION</b>
	41. Arranges for a public hearing on the proposed permit decision. Coordinates public hearing to the extent possible with other bureaus, divisions, offices, and agencies that require a permit or approval for the proposed mine.
MMU Supervisor	42. Provides for notice of public hearing 14 to 28 days before the date of hearing as follows. a. By written notice to city, village, or township, and the county where the mine is proposed to be located, and to all affected federally recognized Indian tribes. b. By publication in a newspaper of local distribution in the area where the proposed mining operation is to be located.  If a coordinated hearing will be held, arranges for written notice and publication that meets all requirements (possibly requiring multiple notices). Arranges for notice of the public hearing to be posted on the DEQ Calendar 14 to 28 days before the date of the public hearing. Oversees procurement of meeting place, necessary equipment, and transcriber.  Files written notice and publication notice in Application File.
OGS Chief	43. Consults with Deputy Director on participation in public hearing.
Deputy Director	44. Designates staff members who will attend public meeting, and what their respective roles will be. Designates staff for moderator, security, and support functions. Advises senior management of DEQ and other involved agencies.
DEQ Bureau/Division/Office Managers and other involved agencies	45. Assign staff participation in public hearing as designated by Deputy Director.
DEQ and other agency staff as assigned	46. Participate in public hearing.
MMU Supervisor	47. Receives written public comments for 28 days following public hearing. Files transcript and written public comments in Application File. For duplicate comments or form letters, only one document will be filed in the electronic file; other duplicative documents will be filed in the paper copy file only.

**DEQ POLICY AND PROCEDURES**

**SUBJECT: REVIEW AND PROCESSING OF NONFERROUS METALLIC  
MINERAL MINING PERMIT APPLICATIONS**

**Number: 09-011**

**Date: December 20, 2007**

**Page 10 of 12**

<b>RESPONSIBILITY</b>	<b>ACTION</b>
Mining Team Coordinator	<p>48. <i>Note: Step No. 48 occurs simultaneously with Step Nos. 51-54.</i></p> <p>In consultation with MMU Supervisor and Mining Team members as necessary, writes draft summary and response to public comments pursuant to public hearing, and forwards to MMU Supervisor within 14 days after close of public comments.</p> <p>Files draft summary and response document in Application File.</p>
MMU Supervisor	<p>49. Within three days after receipt, reviews draft summary and response document and forwards to OGS Chief with recommendations, and copies GSS Supervisor.</p>
OGS Chief	<p>50. Within three days after receipt, finalizes summary and response document.</p> <p>Replaces draft summary and response document with final document in Application File.</p>
Mining Team Coordinator	<p>51. <i>Note: Step Nos. 51-54 occurs simultaneously with Step No. 48.</i></p> <p>Consults with Mining Team members to determine whether public comments submitted at and after the public hearing identify need for additional information. If not, skip Step Nos. 52-59.</p> <p>52. If public comments identify need for additional information, drafts memorandum listing additional information needed and forwards to MMU Supervisor within seven days after close of public comments.</p> <p>Files draft memorandum on recommendations for additional information needed in Application File.</p>
MMU Supervisor	<p>53. Within three days after receipt, reviews recommendations for additional information needed; drafts letter to applicant requesting additional information and forwards to OGS Chief, and copies GSS Supervisor.</p> <p>Files draft letter requesting additional information in Application File.</p>
OGS Chief	<p>54. Within three days after receipt, finalizes letter requesting additional information and sends to applicant.</p> <p>The 28-day period to make a proposed decision is tolled until the applicant submits to the DEQ the specified information and the DEQ reviews the information.</p> <p>Files final letter requesting additional information in Application File.</p>

**DEQ POLICY AND PROCEDURES**

**SUBJECT: REVIEW AND PROCESSING OF NONFERROUS METALLIC  
MINERAL MINING PERMIT APPLICATIONS**

**Number: 09-011**

**Date: December 20, 2007**

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<b>RESPONSIBILITY</b>	<b>ACTION</b>
MMU Supervisor	55. Arranges for letter requesting additional information to be posted on DEQ Web site.
OGS Chief	56. Receives applicant's response to letter requesting additional information; forwards immediately to Mining Team Coordinator and MMU Supervisor.  Note: Part 632 is silent on what additional public comment opportunities should be provided when additional information is requested of an applicant under MCL 324.63205(9). It is the intent of the DEQ to clarify this issue through development of an appropriate policy with stakeholder input.
MMU Supervisor	57. Arranges for response to letter requesting additional information to be posted on DEQ Web site and placed at same locations as application (see Step No. 10).  Files response to letter in Application File.
Mining Team Coordinator	58. Within three days of receipt, forwards applicant's response to letter requesting additional information to applicable members of Mining Team and schedules meeting of Mining Team if necessary.
Mining Team Members	59. Provide to Mining Team Coordinator recommendations as to whether Mining Permit should be granted or denied by the following dates: a. Within 14 days after the close of public comments pursuant to the public hearing, if no additional information is required of the applicant. b. Within three days after receiving applicant's response if additional information is required of the applicant.

***FINAL PERMIT DECISION***

Mining Team Coordinator	60. Drafts memorandum relating Mining Team recommendation on final permit decision within three days after receiving recommendations from Mining Team members.  Schedules de-briefing meeting with the OGS Chief.  Files memorandum in Application File.
MMU Supervisor	61. Within three days after receipt, reviews memorandum on Mining Team recommendations on final permit decision; forwards to OGS Chief with recommendations, and copies GSS Supervisor.

**DEQ POLICY AND PROCEDURES**

**SUBJECT: REVIEW AND PROCESSING OF NONFERROUS METALLIC  
MINERAL MINING PERMIT APPLICATIONS**

**Number: 09-011**

**Date: December 20, 2007**

**Page 12 of 12**

<b>RESPONSIBILITY</b>	<b>ACTION</b>
OGS Chief	62. Reviews and finalizes Mining Team recommendations on final permit decision within three days of receipt from MMU Supervisor, and forwards to Deputy Director.
Deputy Director	63. Issues final permit decision within three days of receipt from OGS Chief, and returns to MMU Supervisor through OGS Chief.
MMU Supervisor	64. Arranges for summary and response to public comments pursuant to public hearing, final permit decision, and Mining Permit (with final permit conditions) or denial letter, as applicable, to be posted on DEQ Web site and copies placed at same locations as application (see Step No. 10).
MMU Supervisor	65. By the following dates, arranges for all documents except Mining Permit and final permit conditions to be removed from DEQ Web site, and notifies responsible person at public library or other public building and the township where documents have been placed (as identified in Step No. 10), that the documents may be removed or discarded: a. Sixty to 75 days after issuance of the final permit decision, if no person files a petition requesting a contested case hearing or an appeal to the courts. b. Sixty to 75 days after issuance of a contested case decision, if a contested case hearing is held and no person files an appeal to the courts. c. Ten to 15 days after the court issues a final decision on appeal and all further rights of appeal are exhausted, if an appeal is filed.

Approved:  Date: 1-2-08



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

230 SOUTH DEARBORN ST.  
CHICAGO, ILLINOIS 60604

REPLY TO THE ATTENTION OF:

5RA-14

0 2 MAY 1986

Dr. Gordon E. Guyer  
Acting Director  
Michigan Department of Natural Resources  
P.O. Box 30028  
Lansing, Michigan 48909

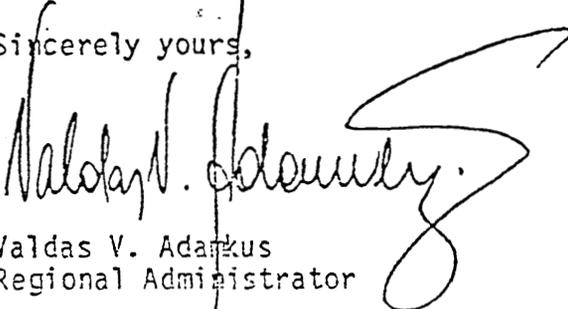
Dear Dr. Guyer:

It gives me great pleasure to transmit the Memorandum of Understanding (MOU) regarding financial responsibility for Class II injection wells that has been agreed upon by our agencies. Enclosed are two signed copies. I believe that implementation of this MOU will help both Region V and the Michigan Department of Natural Resources to implement their respective underground injection control regulations more efficiently and effectively, and help to improve compliance within the regulated community.

With this transmittal you should consider the MOU effective. As such, Region V will need to notify the Michigan Class II owner/operators of its implications. We intend to do this by telephone for owner/operators with permits currently under review and we will also provide general notification through the Michigan Oil and Gas Association's trade publication, which is published on a weekly basis.

In closing, I would like to recognize all the time and effort that your staff has contributed in developing the MOU. If you have any questions or concerns regarding the MOU, please contact me. Thank you very much for your cooperation in this matter.

Sincerely yours,



Valdas V. Adarkus  
Regional Administrator

Enclosures

## MEMORANDUM OF UNDERSTANDING

### OWNER OR OPERATOR USE OF THE MICHIGAN WELL BOND TO SATISFY THE FEDERAL FINANCIAL RESPONSIBILITY REQUIREMENT FOR CLASS II WELLS

The United States Environmental Protection Agency, Region V (hereinafter "EPA") and the Michigan Department of Natural Resources (hereinafter, "DNR," or the "State") hereby enter into this agreement. This agreement is to implement as effectively as possible EPA's responsibilities under the Safe Drinking Water Act (SDWA) through the cooperative efforts of the EPA and the State. This agreement is also to assure efficient allocation of resources, minimize duplication of effort, and avoid confusion within the regulated community. This agreement outlines the procedures and criteria requisite to EPA accepting an owner/operator's Michigan well bond in order to comply with the Federal financial responsibility requirements. These Federal financial responsibility requirements provide for proper closure, plugging and abandonment of Class II injection wells.

This MOU is a predetermination by the EPA Regional Administrator that the terms of this MOU and the State mechanism are coextensive with the Federal financial responsibility requirements for Class II injection wells. Because Michigan Act 61 requirements for Class II wells are coextensive with the underground injection control requirements of the SDWA, the basis for an EPA Notice to Plug should also constitute the basis for a Notice of Determination by the DNR supervisor of wells. Where the owner/operator of a Class II injection well has failed to plug and abandon the well consistent with the plugging and abandonment requirements, the DNR shall undertake to properly plug and abandon the well.

1. Definitions. It is the understanding of the parties that the following terms which are applicable to this MOU have the following meanings:

Class II injection well - means wells which inject fluids:

- (1) which are brought to the surface in connection with conventional oil or natural gas production and may be commingled with waste waters from gas plants which are an integral part of production operations, unless those waters are classified as a hazardous waste at the time of injection;
- (2) For enhanced recovery of oil or natural gas; and
- (3) For storage of hydrocarbons which are liquid at standard temperature and pressure.

Contaminant - means any physical, chemical, biological, or radiological substance or matter in water.

Underground fresh water resources - means an aquifer or its portion;

- (a)(1) Which supplies any public water system; or
- (2) Which contains a sufficient quantity of ground water to supply a public water system; and
  - (i) Currently supplies drinking water for human consumption; or
  - (ii) Contains fewer than 10,000 mg/l total dissolved solids; and
- (b) Which is not an exempted aquifer. (See 40 CFR 144.7).

Pollution - means the presence of a contaminant in an underground fresh water resource may cause a violation of any primary drinking water regulation or may otherwise adversely affect the health of persons.

2. State Required Bond. In Michigan, Class II injection well owner/operators are required to post a financial assurance bond with the DNR. Under the rules promulgated under Michigan Act 61, Public Acts of 1939, as amended (M.S.A. § 13.139 et seq.), an owner/operator must post a bond for not less than \$5,000 for a single well and not less than \$50,000 for a blanket bond (See Act 61, R 299.1108).
3. Federal Financial Responsibility Requirement. Pursuant to the requirements of the SDWA, 42 USC § 300h et seq., Class II injection well owner/operators are required to maintain financial responsibility and resources to close, plug and abandon the underground injection operation in a manner prescribed by EPA. Pursuant to 40 CFR 144.28(d) and 144.52(a)(7), an owner/operator may use a surety bond to satisfy, in whole or in part, the Federal financial responsibility requirements.
4. Use of State Bond for Federal Requirement. Class II injection well owner/operators may use the State-required bond to meet the Federal requirement, in part or in full, when approved by EPA on a case-by-case basis for each well. ~~40 CFR 144.65.~~ To obtain approval, an owner/operator must submit as part of the Federal underground injection control permit application, evidence of the establishment of the State bond, together with a letter requesting that the State-required bond be considered acceptable for meeting the Federal financial responsibility requirement. The submittal shall include: well name and location, owner/operator name and address, and the amount of funds for closure, plugging and abandonment coverage assured by the State bond. The application should be sent to the Water Division Director, EPA Region V.

Pursuant to 40 CFR 144.28(d)(3) and 144.52(a)(7), closure, plugging and abandonment costs will be reevaluated by EPA periodically. If the ~~total financial assurance provided~~ <sup>TOTAL FINANCIAL ASSURANCE PROVIDED</sup> bond for a Class II well is insufficient to cover revised Plugging and Abandonment estimated costs for that well, the owner/operator (s) will be required to obtain additional financial assurance.

For Class II owner/operators in Michigan who use the State-required bond to satisfy, in part or in full, the Federal financial responsibility requirement, DNR will accept a financial assurance bond in an amount that would satisfy the Federal requirement, provided that it is not less than \$5,000 for a single well or \$50,000 for a blanket bond.

5. EPA Listing of Class II Wells using the State Bond. On a quarterly basis EPA shall submit to the DNR a listing of all Class II wells which have used the Michigan State bond to comply with Federal financial responsibility requirement. Such reports shall commence on July 15, 1986.
6. Plugging and Abandonment of a Well Subject to this Understanding. Upon determining that a Class II injection well or its owner/operator is in violation of the SDWA, the regulations promulgated pursuant thereto, or any other applicable Federal requirement, EPA may initiate enforcement actions, including a Notice to Plug, to compel compliance with the Federal Underground Injection Control program. EPA will provide to DNR, as each action occurs, concurrent written notification of said determination(s), violation(s), notice(s), and one copy of all relevant correspondence with the owner/operator.

If EPA determines that a Class II injection well in the State of Michigan needs to be closed, plugged and abandoned and the owner/operator is unable to adequately plug the well, then upon written request from the EPA Regional Administrator or his designee, the DNR will accept responsibility to expeditiously effect proper closure, plugging and abandonment of the well through use of the State bond in accordance with the provisions of State rules and regulations.

Whenever the DNR accepts responsibility for closure, plugging and abandonment of a well for EPA, an EPA representative must witness the Plugging and Abandonment. The subject well shall not be considered properly closed, plugged and abandoned until the plugging affidavit has been signed by both State and EPA representatives.

Upon completion of closure, plugging and abandonment for the subject well(s), any remaining bond funds shall no longer constitute part of the Federal financial responsibility requirement for the subject plugged and abandoned well(s).

7. Maintaining this Understanding. If ever EPA and DNR disagree on, or do not mutually approve of, specific actions or timing to close, plug and abandon an injection well, then the parties executing this agreement or their designees shall meet to discuss and determine a resolution of this issue. Pending this resolution, EPA may reconsider its predetermination under 40 CFR Part 144.65 that the Michigan State well bond funds are, in fact, available for equivalent closure, plugging and abandonment of the subject owner/operator's Class II

injection well(s) and of all other Class II injection wells in the State of Michigan.

- 8. Changing the State-Required Bond. The DNR will notify the EPA within five (5) working days of any information that is received regarding the releasing or cancelling of the bond, the changing of the amount of the bond or any circumstances which may indicate that closure, plugging and abandonment costs will be increased, for any owner/operator who has used the State bond to meet the Federal financial responsibility requirement.
- 9. Other Financial Assurances. Nothing in this agreement shall be interpreted as precluding owner/operators of Class II wells in Michigan from separately meeting State and Federal financial responsibility requirements by any methods provided for under the applicable State and Federal laws and regulations, respectively.

This agreement shall remain in full force and effect until EPA delegates to the DNR primary enforcement responsibility for the Underground Injection Control Program pursuant to the SDWA Sections 1422 or 1425, 42 USC §§ 300h-1 or 300h-4, at which time this agreement will terminate. Either party may withdraw from this agreement after a 60-day notice period, provided that any well(s) receiving a Notice to Plug prior to the expiration of the 60-day withdrawal notice shall remain covered by this agreement until closure, plugging and abandonment is completed and payment rendered therefore in accordance with this agreement.

Michigan Department of Natural Resources

U.S. Environmental Protection Agency, Region V

By Ronald O. Skoog  
Ronald O. Skoog  
Director

By Valdas V. Adamkus  
Valdas V. Adamkus  
Regional Administrator

Date 16 APR 86

Date May 2<sup>nd</sup>, 1986

MICHIGAN DEPARTMENT OF NATURAL RESOURCES

INTEROFFICE COMMUNICATION

May 3, 1993

TO: Regional And District Supervisors,  
Peg McComb-Elowski, Supervisor,, Compliance Unit  
Innaiah Pothacamury, Supervisor,  
Glacial and Groundwater Geology Unit  
Ray Vugrinovich, Waste Management Specialist  
Rodger Whitener, Supervisor,  
Policy Procedures and Special Services  
Geological Survey Division

FROM: Elmore E. Eltzroth, Supervisor, Administration Section  
Geological Survey Division

SUBJECT: Memorandum of Understanding with  
Waste Management Division regarding  
Central Treatment Sites

The attached Memorandum of Understanding and model Stipulation and Consent Order identifies the conditions under which we may allow a central treatment site to be operated under the authority of Act 61. You may use this immediately for treatment of contaminated soils by a single operator but from multiple well sites. Treatment of contaminated soil at the site of generation continues to be under the authority of Act 61 while treatment of soils at central sites by thermal treatment processes will be under the authority of an Act 348 permit issued by Air Quality Division. Please direct any questions regarding implementation of this process to your Regional Supervisor or to me.

attach:

cc: R. Thomas Segall



MEMORANDUM OF UNDERSTANDING

BETWEEN THE  
WASTE MANAGEMENT DIVISION  
AND THE  
GEOLOGICAL SURVEY DIVISION

The purpose of this Memorandum of Understanding is to stipulate under what conditions the Geological Survey Division will regulate the construction and operation of a Central Treatment Site (CTS) designed for the storage and treatment of contaminated soils generated incidental to oil and gas operations from multiple, permitted, well sites under Act No. 61 of the Public Acts of 1939, as amended (Act 61).

The Geological Survey Division (GSD) is responsible for regulating the drilling for, and production of, oil and gas under Act 61. The Supervisor of Wells is authorized under Section 6(c) of that Act:

". . . to require the disposal of salt water and brines and oily wastes produced incidental to oil and gas operations, in such manner and by such methods and means that no unnecessary damage or danger to or destruction of surface or underground resources, to neighboring properties or rights, or to life, shall result."

The Department of Natural Resources (DNR) has delegated to the GSD the responsibility of remediation of contaminated soils from spills or losses from wells, production equipment, and/or flowlines which occur prior to the first point of sale, pursuant to Act 61.

The Waste Management Division (WMD) regulates the treatment and disposal of contaminated soil through the Solid Waste Management Act, Act No. 641 of the Public Acts of 1978, as amended, unless it is a waste already regulated by permit under another statute (Sec. 7(1)(k) of Act 641).

Wastes produced incidental to the production of oil and gas will, for purposes of this Memorandum of Understanding, include oil and/or brine contaminated soils derived from any oil or gas exploration, production, transportation, or storage activity before the first point of sale.

THERMAL TREATMENT OF WASTES

If regulated by permit under the Air Pollution Act, Act No. 348 of the Public Acts of 1965, as amended, thermal treatment of soils at or from oil and gas well sites will be under the jurisdiction of the Air Quality Division.

SINGLE SITE TREATMENT

Contaminated soils may be treated on the wellsite of generation subject to receiving the written approval of a remedial action plan (RAP) submitted to the GSD district geologist (contents of the RAP as described in Section 4(b) of this Memorandum as set forth below). On-site treatment of contaminated soils is regulated by Act 61 and does not require a consent agreement with the person who is the permittee of the wells at the site.

CENTRAL STORAGE AND TREATMENT SITE - ONE OWNER

A person may, under the authority of Act 61, store and treat contaminated soils produced incidental to oil and gas operations at a CTS under the following conditions:

1. The person is the permittee under Act 61 of the wells supplying the contaminated soils.
2. The site of the CTS shall have a valid permit and bond under Act 61.
3. The CTS is owned by the permittee, or the minerals at the site are currently under lease to the permittee, and written permission is obtained from the surface owner.
4. A consent agreement between the permittee and the DNR is entered into and provides for the following:
  - a. Name, permit number, location, and ownership of the CTS and the well sites generating the contaminated soils;
  - b. A RAP, submitted in writing and approved by the GSD district geologist, is required prior to construction of a CTS. The RAP for the proposed site shall include the following:
    1. Analysis of the contaminated soils, to be sampled prior to storage and treatment;
    2. Treatment methods;
    3. Construction plans of treatment and storage facilities;
    4. Plans detailing the containment structures and procedures;

Memorandum of Understanding  
Waste Management Division and  
Geological Survey Division  
Page 3 of 3

5. Groundwater monitoring program designed to ensure that there are no unapproved discharges to the waters of the state.
- c. After treatment and prior to removal of treated soils from the CTS, the soils shall be tested to show compliance with Type A or Type B criteria as defined in the administrative rules promulgated pursuant to the Environmental Response Act, Act No. 307 of the Public Acts of 1982, as amended. These analyses will be provided to the GSD district geologist as outlined in the consent agreement. Treated materials which do not meet these standards will be managed as solid waste and properly disposed of according to Act 641 or other applicable regulations.
- d. A statement that the permittee shall commence treatment of any stored soils within six (6) months and remove treated soils within six (6) months of treatment unless otherwise approved by the GSD district geologist.
- e. An annual report prepared by the permittee is to be submitted to the GSD district geologist summarizing the source, amount, and disposition of treated soils by January 31 of the following year.
- f. A statement that the waste transporter(s) will comply with applicable sections of Act 641 and the Liquid Industrial Waste Act, Act No. 136 of the Public Acts of 1969, as amended.

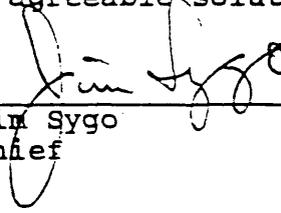
CENTRAL TREATMENT SITES - FOR SOILS FROM MULTIPLE OWNERS

Multiple owner treatment sites will require an Act 641 license, a construction permit, and other appropriate permit(s). Contaminated soils from sites other than those of the permittee of the CTS will not be stored or treated at a CTS regulated under Act 61.

In the event that differences arise as to the conduct of an investigation, inspection, or regarding the appropriate course of action to be taken in a particular permit or problem, the Chiefs of the GSD and WMD shall reach a mutually agreeable solution.

  
R. Thomas Segall  
Chief

(date)

  
Jim Sygo  
Chief

(date)

4/28/93

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY  
AND THE  
MICHIGAN DEPARTMENT OF NATURAL RESOURCES**

**RELATING TO OIL AND GAS PERMITS**

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**SECOND AMENDED TRANSITION AGREEMENT #27, MOU #4**

This Memorandum of Understanding (MOU) between the Michigan Department of Environmental Quality (MDEQ) and the Michigan Department of Natural Resources (MDNR) is entered into for the sole purpose of exchange of information and recommendations associated with the processing of oil and gas permit applications pursuant to Part 615, Supervisor of Wells, of the Natural Resources and Environmental Protection Act, 1994 PA 451 (NREPA), as amended.

The purpose of the MOU is to establish procedural protocols for:

1. Ensuring a smooth efficient oil and gas permit application review process while resolving disagreements to the greatest extent possible.
2. The MDEQ to assist the MDNR in proprietary decision-making and management responsibilities for state-owned surface under MDNR jurisdiction by providing oil and gas permit application information to the MDNR.
3. The MDNR to assist the MDEQ in oil and gas permit issuance decision-making by providing natural resource impact information to the MDEQ.

**Responsibilities of the MDEQ**

1. The Office of Geological Survey (OGS) shall provide a copy of the "Weekly Permit List" via e-mail to MDNR's Forest, Minerals, and Fire Management Division (FMFM) and others as requested within the MDNR.
2. Upon receipt and logging in (receipt) of a permit application submitted pursuant to Part 615, the OGS shall provide FMFM with a scanned copy of the application via e-mail when the proposed well site is to be located on state-owned surface. The OGS will provide MDNR 20 calendar days from the date of application receipt on state-owned surface, to complete their review of the application and provide a resource evaluation and recommendation to the OGS area geologist. The permit decision(s) will not be made until the 20-day calendar time frame passes or until MDNR provides comments, whichever comes first.
3. The OGS shall provide a request via e-mail, with scanned attached application, to the MDNR Wildlife Division (Wildlife) within 5 days of receiving the application, for information on the presence of state- or federally-listed threatened or endangered species, when those species are identified on the Natural Features database. The OGS permit coordinator (for 3a) or district staff (for 3b and 3c) shall seek a resources evaluation from the appropriate MDNR manager on state- or privately-owned surface lands that are suspected or known to:
  - a. Contain state- or federally-listed threatened or endangered species.
  - b. Be in a special MDNR management area, such as the Jordan Valley Management Area (JVMA), Hunt Creek, or Pigeon River Country State Forest (PRCSF).

- c. Be in a special ecologically sensitive area such as old growth, quiet area, or in a special wildlife habitat such as a winter deeryard, Kirtland Warbler nesting area, or a designated natural area.

The OGS will provide the MDNR 15 calendar days from the date of a request to complete a resources evaluation under this provision, except under 3a, for those species that the OGS and Wildlife have agreed will be protected by mutually acceptable permit conditions under No. 2 of "Responsibilities of the MDNR." For those species, the OGS permit coordinator will notify Wildlife but Wildlife may delay or choose not to perform a review.

4. During the MDNR review periods, designated OGS district staff will work interactively with appropriate MDNR managers in the following manner: On all lands, OGS district staff will attempt to incorporate recommendations made by the MDNR to minimize the negative impacts to natural resources from the activities proposed in the permit application.

If OGS district staff and MDNR managers cannot agree to a final permit application resolution, the matter will be referred to conflict resolution.

#### **Responsibilities of the MDNR**

1. The MDNR will provide, on a frequent basis, updated maps and access to digital data (CIWPIS or other data) that delineates state-owned surface land under their jurisdiction, and lands that are suspected or known to:
  - a. Contain state- or federally-listed threatened or endangered species.
  - b. Be in a special MDNR management area, such as the JVMA, Hunt Creek, or PRCSF.
  - c. Be in an ecologically sensitive area such as old growth, or quiet area, or in a special wildlife habitat such as a deeryard, Kirtland Warbler nesting area, or designated natural area as that information becomes available.
2. Wildlife will identify the state- or federally-listed threatened or endangered species that it agrees will be protected by mutually acceptable permit conditions on the drilling permit.
3. Upon written request via email, with attached scanned application, Wildlife will provide to the OGS permit coordinator and area geologist, information on the presence of any state or federally listed threatened or endangered species within 15 calendar days from the date of written request.
4. After receipt of the weekly permit list, FMFM will notify the OGS's Permit and Bonding Unit within 15 days of receipt of the permit list, of any unleased state-owned minerals lying within the proposed drilling unit.
5. Within 15 calendar days from the date the MDNR receives a request from the OGS for a resources evaluation as provided in Item No. 3 under "Responsibilities of the MDEQ" - or - independently, within 20 calendar days from the date the OGS receives an oil or gas drilling permit application on state-owned surface managed by the MDNR, the MDNR manager from the appropriate land-managing division will provide a resources evaluation and recommendations to the OGS area geologist regarding potential impacts from drilling and operating a well at the proposed well site. The MDNR manager will use the following guidelines when preparing a resources evaluation:

- a. They shall evaluate the impact(s) of the application on surface, soils, animal, fish, or aquatic life, property, or other natural resource values from the proposed oil and gas operation.
- b. All reasonable efforts will be made to accommodate the permitting of drilling and operating a well at the proposed well site.
- c. The MDNR manager shall make every effort to incorporate only those permit conditions and mitigation measures necessary to reduce impacts to an acceptable level.
- d. For any permit modifications, the MDNR manager shall note the resources impacted by the proposed activity and how the changes will minimize those impacts to an acceptable level.
- e. A recommendation for permit denial will be reserved for only those cases where no proposed activities can be allowed without unacceptable impacts to resources or is in violation of the law. Any recommendation for denial will include a description of the resources impacted and why no activities can be allowed.

If no response is made by the MDNR within 15 days from an OGS request (or otherwise 20 days from application receipt), the OGS area geologist shall assume the MDNR has no concern with the permit application as submitted.

**Conflict Resolution**

If the MDEQ and the MDNR staffs cannot agree on the final permit application conditions for approval or denial, the matter will go to conflict resolution. The MDEQ, OGS geological services supervisor and appropriate MDNR land-managing division field coordinator will have 10 days to develop a mutually acceptable permit decision. If the matter cannot be resolved within 10 days, a final recommendation may be sent from the MDNR land-managing division chief to the OGS director. The supervisor of wells, or his or her designated assistant, will make the final permit decision.

**Review of the MOU**

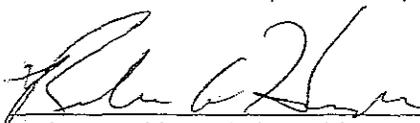
Upon written request by either party, representatives of both parties will meet within 30 days of such request to review the effectiveness of the MOU and initiate any necessary alterations.

This agreement shall be effective upon the signature of both parties. Termination may be made by either party upon 30 days' written notice.

In witness thereof, the parties sign their names as evidence of their approval of this Memorandum of Understanding.

  
\_\_\_\_\_  
Steven E. Chester, Director, MDEQ

3-25-05  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Rebecca Humphries, Director, MDNR

4/6/05  
\_\_\_\_\_  
Date

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
MICHIGAN PUBLIC SERVICE COMMISSION  
AND THE  
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY**

This Memorandum of Understanding (MOU) between the Michigan Department of Environmental Quality (MDEQ) and the Michigan Public Service Commission (MPSC) is entered into for the sole purpose of clarifying each department's role and responsibility regarding the venting of natural gas and associated pipeline operation and maintenance activities.

The State of Michigan has an extensive network of natural gas pipeline and storage systems within the state. This includes pipeline and storage systems associated with natural gas production, transmission, and distribution systems. This system supplies Michigan residents, industries, and electric generating facilities with a clean and reliable fuel and industrial feed stocks. The primary state regulatory agency responsible for the safety and integrity of this system is the MPSC, which regulates the natural gas pipeline industry under the following statutes, among others: 1969 PA 165 (Act 165) (483.151 - 483.162); 1929 PA 9 (483.101 - 483.120); 1929 PA 69, as amended (460.501 - 460.506); Title 49 of the Code of Federal Regulations (CFR), Part 191, Transportation of Natural and Other Gas by Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports; and 49 CFR, Part 192, Transportation of Natural and Other Gas By Pipeline: Minimum Federal Safety Standards.

Regulatory authority for the venting of pipeline natural gas is vested in the Michigan Gas Safety Standards promulgated by authority granted to the MPSC in Section 2 of Act 165 which directly references 49 CFR, Parts 191 and 192. The MPSC provides regulatory oversight while implementing legislative and constitutional requirements for the natural gas industry in the state of Michigan. The federal Department of Transportation – Pipeline and Hazardous Materials Safety Administration (DOT-PHMSA) requires that the MPSC ensure the safe, reliable, and environmentally sound operation of pipelines located in Michigan.

The MDEQ implements Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Part 55 is intended to protect human health and the environment from adverse impacts from the discharge of air contaminants.

During the course of normal and emergency pipeline operations, pipeline natural gas is vented to the atmosphere. This venting is necessary to allow for the timely repair of damaged pipeline sections, test emergency systems, and perform other required maintenance activities. Pipeline damage or identified pipeline corrosion, which compromises the integrity of the pipeline, requires immediate action to avoid endangering the public, pipeline personnel, and the environment. This immediate action is mandated by rules promulgated by the MPSC and the DOT Office of Pipeline Safety. Pipeline venting is usually the safest approach to reducing pressure within the pipeline so pipeline repairs can be completed. The MPSC and the MDEQ acknowledge the benefit of clarifying each agency's role and responsibilities with respect to venting pipeline natural gas.

The MPSC performs the following:

- Assures the safe and reliable supply of natural gas.
- Promulgates rules governing the operation of natural gas transmission, storage and distribution systems, and operator qualification.
- Ensures compliance with state and federal regulations including the design, fabrication, installation, testing and safety aspects of the operation, and maintenance of gas pipeline facilities used in the transportation of natural gas.

- Evaluates incident reports and annual summary data which document releases of pipeline natural gas.
- Enforces gas safety standards (and provides penalties for violations thereof) directly for intrastate pipelines and as agents for DOT-PHMSA for interstate pipelines.

The MDEQ performs the following:

- Administers programs and enforces laws designed to protect human health and the environment from adverse impacts from the discharge of air contaminants.
- Administers an air use permitting program for the installation, construction, reconstruction, relocation, modification and operation of sources of air pollutants pursuant to R 336.1201 through R 336.1299, including natural gas processing plants and compressor stations.

The MPSC and the MDEQ agree to the following:

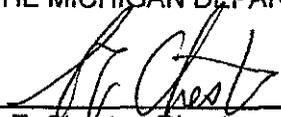
1. The MPSC will ensure that pipeline venting is conducted safely and in a manner that minimizes environmental impacts.
2. The MPSC will investigate citizen air quality related complaints regarding pipeline venting activities.
3. The MDEQ will refer all citizen air quality related complaints regarding pipeline venting activities to the MPSC.
4. The MDEQ will pursue the promulgation of a state rule to exempt the venting of pipeline natural gas and associated pipeline operation and maintenance activities from its air use permitting rules.

The MPSC and the MDEQ agree to cooperate in the implementation of the provisions outlined in this MOU.

This agreement shall be effective upon the signature of both parties and remain in effect until terminated by either party. Termination may be made by either party upon 30 days written notice.

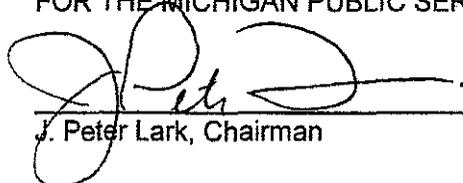
In witness thereof, the parties sign their names as evidence of their approval of this Memorandum of Understanding.

FOR THE MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY:

  
 \_\_\_\_\_  
 Steven E. Chester, Director

3-28-07  
 \_\_\_\_\_  
 Date

FOR THE MICHIGAN PUBLIC SERVICE COMMISSION:

  
 \_\_\_\_\_  
 J. Peter Lark, Chairman

3/23/07  
 \_\_\_\_\_  
 Date



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

EASTERN STATES OFFICE

350 South Pickett Street

ALEXANDRIA, VIRGINIA 22304

IN REPLY REFER TO: MDO:WH  
3160(MI)

Mr. R. Thomas Segall  
State Geologist and Chief  
Geological Survey Division  
Michigan Department of Natural Resources  
Mason Building, P.O. Box 30028  
Lansing, Michigan 48909

25 JUN 1985

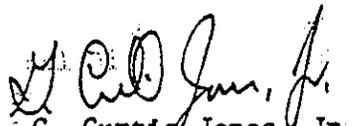
Dear Mr. Segall:

This letter is to document ongoing coordination and cooperation between the Bureau of Land Management and the Geological Survey, Michigan Department of Natural Resources regarding the supervision of operations on Federal and Indian oil and gas leases in the State of Michigan. A meeting to discuss present Federal and State cooperative relations was held on June 11, 1985, involving Mr. James S. Lorenz, Michigan Geological Survey and Mr. Wink Hastings, Milwaukee District Office.

As a result of this meeting, the Bureau through the Milwaukee District Office and the Michigan Department of Natural Resources through the Geological Survey Division agreed that the current level and scope of cooperative relations provide for effective lease supervision, and that the continuation of such relations in the future is in the best interest of the Bureau and the State. Both parties further agree that any substantive issues will be brought to the attention of and resolved by the appropriate agency personnel. Similarly, areas suitable for additional coordination, including the current initiative to evaluate cooperative training sessions, will be discussed and agreed upon as appropriate.

On behalf of the Milwaukee District Office and the Eastern States Office, the Bureau extends its appreciation to you and each Division Staff member for the excellent cooperative relations fostered through high professional ideals. We all look forward to continued excellent Bureau and State relations in the future.

Sincerely,

  
G. Curtis Jones, Jr.  
State Director

cc: Ronald O. Skoog, Director,  
Michigan Department of Natural Resources

MEMORANDUM OF UNDERSTANDING  
Between  
THE DIRECTOR, MICHIGAN DEPARTMENT OF NATURAL RESOURCES  
And  
THE EASTERN STATES DIRECTOR, BUREAU OF LAND MANAGEMENT  
U.S. DEPARTMENT OF THE INTERIOR

I. Purpose.

A. To provide a system for the State of Michigan, under the leadership of the Michigan Department of Natural Resources (MDNR), through its Director, and the United States Bureau of Land Management (BLM), through the Eastern States Director, to identify, communicate, and coordinate actions upon issues of common concern in the management of lands and natural resources.

B. To provide a means for regular communication and a framework for effective cooperation between the State of Michigan and BLM in planning for and management of the lands, mineral estates, and other natural and cultural resources of mutual concern.

C. Cooperation in priority areas may be accomplished through specific agreements between the BLM and appropriate State agencies, commissions or entities as supplements to this agreement.

II. Objectives.

A. To assure that BLM policy and program recommendations or actions related to lands and natural and cultural resources are transmitted to the Director, MDNR.

B. To ensure communication and coordination on issues of mutual concern; provide for exchanges of information on a continuing, professional basis, and in a timely and forthright manner.

C. To eliminate duplication, resolve differences, and achieve maximum effectiveness in the use of funds and personnel.

D. To provide for State-Federal cooperation in the administration of certain resource management programs as may be specifically determined at any time.

III. Authority.

A. State of Michigan.

1. 1921 PA 17 (MCL 299.1 ET SEQ.)
2. 1964 PA 17, CHAPTER 11 (MCL 16.350 ET SEQ.)

B. Bureau of Land Management.

1. Federal Land Policy and Management Act of 1976, Public Law 94-579.
2. Intergovernmental Cooperation Act, Public Law 90-577.
3. National Environmental Policy Act, Public Law 91-90, and Executive Order 11752 of December 17, 1973.
4. The Taylor Grazing Act, Public Law 73-482, as amended.
5. Bureau of Land Management Order No. 701, as amended (Redelegations of Authority).

IV. Mutual Responsibilities.

The BLM Eastern States Director and the Director, MDNR, mutually agree to:

A. Develop and carry out an "early warning" program whereby each party will apprise the other, as far in advance as possible, of proposed plans or actions that might impact the other party.

B. Identify those issues for which Director, MDNR, and Eastern States Director contact is desired personally or through immediate staff; such contacts are to be in addition to regular contacts between appropriate State agencies or clearinghouses and BLM offices. In Michigan, the appropriate local BLM office for regular contacts is the Duluth Field Office located in Duluth, Minnesota.

C. Make readily available to the other party geological, minerals activity, natural resource, cultural, socioeconomic, and environmental information. This information is to be exchanged at no cost to either party except in circumstances where large volumes of information would have to be duplicated and a separate agreement is negotiated to provide the service.

D. Advise each party of mineral leasing activities, investigations of suspected unauthorized mining activity following reports of violations or complaints and administrative action with respect to unauthorized mining activities outside permitted areas and all other unauthorized uses on leased lands.

E. To the extent possible under State law and Federal laws governing BLM administration of lands and natural and cultural resources, cooperate in the management of surface and mineral resources.

F. Provide for the timely involvement of representatives of each party in the development of land use plans and exchange and review of land use plans.

G. Cooperate in providing each other, local governments, and the public adequate notice and opportunity to comment upon and participate in the formulation of plans, programs, and regulations relating to management of Bureau-administered lands and resources, including mineral development.

H. Provide for cooperation in the development of environmental data, and review of environmental assessments and impact statements for BLM-administered lands or for actions impacting BLM-administered lands.

I. Serve as arbitrators for disputed or stalemated issues where there is disagreement between two or more BLM and State subordinate offices, agencies, or commissions.

J. Periodically evaluate established procedures, contacts and arrangements for coordination and cooperation between the Bureau and State; modify as necessary to eliminate duplicative or unnecessary contacts and meet as required.

V. Individual Responsibilities.

A. The Director, MDNR, will:

1. Furnish advice to the BLM Eastern States Director with regard to the development, revision, and implementation of land-use plans, standards, rules and regulations for Bureau-administered lands within the State, as well as such other land-use matters as may be requested or appropriate; provide for regularly keeping the Eastern States Director apprised of State and local plans affecting BLM lands or Federal mineral interests.

2. Solicit BLM participation when deemed mutually desirable in the work of appropriate State councils, commissions, and advisory groups.

3. When a decision is made that is contrary to recommendations of the Bureau of Land Management, Eastern States Director, or inconsistent with an agreement previously reached, apprise the Eastern States Director of the decision and reasons therefore.

4. Encourage suggestions and assistance of State law enforcement agencies with BLM and its Special Agents in their activities to enforce Federal law and regulations and to conduct criminal investigations of suspected violations of said laws and regulations.

B. The Bureau of Land Management, Eastern States Director will:

1. To the extent possible under Federal laws, regulations, and policies governing lands and natural and cultural resources administered by the Bureau: (a) assure that consideration is given to State and local plans germane to the development of BLM land-use plans and programs; (b) direct that land and resource inventory, planning, and management actions be coordinated

This document paid for with State funds

with State and local planning and management; (c) ensure greatest possible consistency with State and local land-use plans and zoning.

2. Coordinate mineral resource planning and leasing activities including providing information on the nature and extent of Federal Mineral Ownership located under State surface ownership.

3. Not act on any State recommendation of a policy or program nature, particularly where there are differing recommendations between two or more State entities, unless: (a) there has been consultation with the Director, MDNR; or, (b) the recommendation has been approved by the Director, MDNR.

4. Provide to the Director, MDNR, as soon as possible copies of all new statutes, as well as new and proposed policies, program directives and regulations affecting lands and resources administered by BLM.

5. Promptly notify the Director, MDNR, and A-95 clearinghouse(s), of all applications for withdrawal, as well as proposed public land sales or conveyances.

6. When a decision is made that contravenes the recommendation(s) of the Director, MDNR, in whole or in part, promptly notify the Director, MDNR, of the decision and reasons therefore.

7. Periodically advise the Director, MDNR, regarding progress in the wilderness review process involving BLM uplands and islands.

#### VI. Limitations.

Nothing in this Memorandum of Understanding shall be construed as limiting or modifying in any way the authority or statutory or regulatory responsibilities of the Director, MDNR, or the Eastern States Director, as binding either the State of Michigan or BLM to perform beyond their respective authorities, or require either party to assume or expend any sum in excess of available appropriations. Each and every provision of this agreement is subject to the laws of the State of Michigan, the laws of the United States, and the regulations of the Secretary of the Interior.

#### VII. Effective Date.

This Memorandum of Understanding shall become effective upon signature by the Director, MDNR, and Eastern States Director, and will remain in force unless formally terminated by any of the signatories after thirty (30) days written notice to the others of his intention to do so.

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VIII. Amendments.

Amendments to this agreement may be proposed at any time by any of the signatories, and shall become effective upon approval by all.

STATE OF MICHIGAN:

BUREAU OF LAND MANAGEMENT:

By Howard W. Kenner  
Director, Michigan Department  
of Natural Resources

By Joey C. Hildebrand  
Eastern States Director

Date: October 12, 1981

Date: 11-9-81

This document paid for with State funds

MEMORANDUM OF UNDERSTANDING

BETWEEN THE  
LAW ENFORCEMENT DIVISION AND THE GEOLOGICAL SURVEY DIVISION

The Law Enforcement Division and the Geological Survey Division shall jointly implement and enforce provisions of the Supervisor of Wells Act, Act 61, P.A. 1939, as amended, as set forth in The Enforcement Procedures, and as follows:

I. Geological Survey Division

The Supervisor of Wells and his authorized representatives shall have the lead responsibility for:

- a. All technical oil and gas site inspections.
- b. The taking of samples for potential use in enforcement or compliance actions involving the oil and gas industry.
- c. Investigation and filing of PEAS reports. (Law Enforcement Division follow-up possible)
- d. All emergency actions, including shutting in wells or halting drilling operations.
- e. Inspections at drilling and operating locations.

The Supervisor of Wells and his authorized representatives shall assist Law Enforcement Division personnel in support of a legal action involving oil and gas activities, as requested by the Law Enforcement Division. The Geological Survey Division priority ranking system will continue to be utilized in order to schedule and prioritize divisional activities.

II. Law Enforcement Division

Staff of the Law Enforcement Division, upon referral from the Geological Survey Division or in self-initiated cases, shall have the lead responsibility for:

- a. Liaison with the appropriate County Prosecutor or Criminal Division, Department of Attorney General.
- b. Taking statements, serving search warrants, preparing charges, collecting evidence and other investigatory functions concerning oil, gas, and brine activities, pursuant to 1939 P.A. 61 and 1969 P.A. 136.
- c. Making visual inspections and documenting findings on inspection forms for items listed in the Enforcement Procedures.
- d. Development of a computerized oil field inspection data base.

Law Enforcement Division personnel shall assist Geological Survey Division, when possible, with site inspections, access onto private property, gathering evidence, filing PEAS reports, supporting Geological Survey Division staff in shutting down an operation in the name of the Supervisor of Wells, and in similar enforcement or compliance activities. Investigations and service functions will be prioritized pursuant to established LED priority-ranking criteria.

In the event that differences arise as to the conduct of an investigation or the appropriate legal action to be pursued in a particular case, the chiefs of the two divisions shall meet and agree on a mutually agreeable solution.

The Chief of the Geological Survey Division will be responsible to provide interpretations of Act 61 and its Administrative Rules, as well as for Supervisor's Orders, Letters of Instruction, and other findings or notices issued by Geological Survey Division.

#### ENFORCEMENT PROCEDURES

1. For instances where the assistance of a conservation officer is desired, the District Geologist will contact the District Law Supervisor direct. For serious violations, (in general, those involving more than diking, signing, and general housekeeping issues), the District Geologist or Geological Survey Division's Compliance Unit will contact the Environmental Investigations Supervisor, Law Enforcement Division for assignment of an Environmental Conservation Officer. Field geologists may also contact the appropriate Environmental Conservation Officer direct. Formal referrals will continue to be from Chief, Geological Survey Division to Chief, Law Enforcement Division.
2. Violations for which prosecutions can be initiated by Law Enforcement Division with assistance from Geological Survey Division personnel would include:
  - (a) Brine disposal activities - R 299.1601, R 299.1602 - MCLA 319.18b.
  - (b) Failure to notify the department of a loss of oil or gas - R 299.1907 - MCLA 319.18b, or Act 245 Part V Rules; R 323.1164.
  - (c) Waste, as defined by MCLA 319.4 / 319.18b.
  - (d) Oil or brine spills.
  - (e) Violations involving oil field wastes.
  - (f) Falsification of records - MCLA 319.19.
  - (g) Signing and diking requirements - R 299.1904; R 299.1910.
  - (h) Abandonment of well without plugging/site restoration - MCLA 319.18b & R299.1800 series.

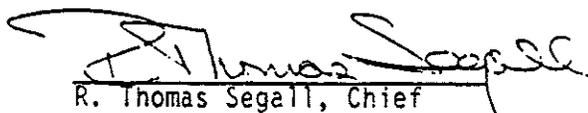
Geological Survey Division personnel will provide technical assistance as necessary in the development of an enforcement action.

3. Additional violations which may be referred from Geological Survey Division's Compliance Unit for criminal enforcement are: permit violations, failure to submit required records and similar types of violations which require technical or administrative review by Lansing staff. The district geologist, when referring cases through the Compliance Unit, shall follow the compliance procedures established by Geological Survey Division on May 19, 1982.

4. Geological Survey Division, Compliance Unit will be advised of all prosecutions under Act 61, by the district geologist as per established procedures.
5. Whenever Geological Survey Division desires an investigation, surveillance, or other enforcement activity performed by Law Enforcement Division, they will follow established internal procedures. For incidents or violations being referred to the Geological Survey Division, Office of Compliance, the Law Enforcement Division will be contacted immediately if evidence collection, statements, or other documentation is necessary. This documentation must be performed at time of violation, not when a decision is made regarding the department's course of action. By then, it would likely be too late to gather the necessary evidence.
6. When a request for assistance or enforcement action by Law Enforcement Division is made, an incident report or case summary will be provided. In addition, a Geological Survey Division geologist will be assigned to work with Law Enforcement Division in the investigation for technical assistance, e.g., sampling, determination of technical or permit violations. While Law Enforcement Division is investigating a case, Geological Survey Division staff will contact the investigating officer before taking independent administrative actions which could impact on enforcement. Law Enforcement Division will advise Geological Survey Division staff who the investigating officer is.
7. Geological Survey Division personnel will not attempt prosecutions or meet with the prosecutor regarding prosecutions without first meeting with the appropriate Law Enforcement Division personnel. Conservation officers will arrange and attend meetings with prosecutors when enforcement matters are being discussed.
8. During inspections to be performed by conservation officers, the following items will be noted on forms developed by Law Enforcement Division with a copy provided to Geological Survey Division.
  - (a) Condition of dikes (construction, integrity, weeds, etc.)
  - (b) Spills of oil or brine onto the ground.
  - (c) Posting of signs or placing of fences, if required. (H<sub>2</sub>S sites)
  - (d) Condition or existence of "mud pits" or other lagoons on site.
  - (e) Brine disposal activities.
  - (f) General housekeeping conditions.
9. Law Enforcement Division may initiate independent enforcement actions in instances where clear criminal violations have been committed and conflict with administrative or other enforcement efforts is absent. Geological Survey Division district staff will be advised of the existence of any such enforcement actions, unless the rare need for confidentiality is encountered. In these instances, the Chief of Geological Survey Division will be apprised. The Survey will be advised of the outcome of all enforcement cases.

10. Staff from both divisions will cooperate as necessary in providing interdivisional training. Respective topics could include training on enforcement procedures, technical and administrative aspects of Act 61, requirements concerning oilfield facilities and other topics, as requested. Such training should be conducted at district, regional, or division-wide levels, as appropriate.

This document will supersede any previous enforcement or inspection agreement between Geological Survey Division and Law Enforcement Division.



R. Thomas Segall, Chief  
Geological Survey Division

Date: 8/5/88



Herbert Burns, Chief  
Law Enforcement Division

Date: 8-8-88



JOHN ENGLER, Governor

DEPARTMENT OF ENVIRONMENTAL QUALITY

"Better Service for a Better Environment"

HOLLISTER BUILDING, PO BOX 30473, LANSING MI 48909-7973

INTERNET: www.deq.state.mi.us

RUSSELL J. HARDING, Director

June 22, 2000

*To: Tom Wellman*

REPLY TO:

GEOLOGICAL SURVEY DIVISION  
735 E HAZEL ST  
PO BOX 30258  
LANSING MI 48909-7756

REX \_\_\_\_\_

DAVE \_\_\_\_\_

JIM JRD

DEANA \_\_\_\_\_

WE WILL FOLLOW THE 30  
DAY WAITING PERIOD FOR  
WELLS IN ST CLAIR.

*Please Return*

Mr. Edward H. Boddy  
County of St. Clair  
Soil Erosion and Sedimentation  
Control Program  
21 Airport Drive  
St. Clair, MI 48079

Dear Mr. Boddy:

Enclosed is a copy of the Memorandum of Understanding (MOU) between St. Clair County and the Michigan Department of Environmental Quality relating to Soil Erosion and Sedimentation Control. This original MOU has been signed by Mr. Donald M. Maronde, Director of Board of Public Works for St. Clair County and Harold R. Fitch, Chief, of the Geological Survey Division (GSD). Please contact Mr. Elmore Eitzroth, Supervisor, Field Operations Section, of the GSD, at 517-334-6923, if you experience any problems relating to the MOU.

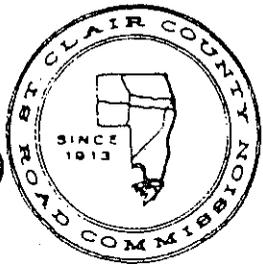
Sincerely,

Harold R. Fitch  
Assistant Supervisor of Wells  
and Chief  
Geological Survey Division  
517-334-6923

Enclosure

cc/enc: Mr. Elmore Eitzroth, DEQ  
Mr. Walt Danyluk, DEQ

*file*



COUNTY OF ST. CLAIR

ROAD COMMISSION • PUBLIC WORKS

21 Airport Drive • St. Clair, Michigan 48079-1404

Phone: (810) 364-5720

Fax: (810) 364-9050

April 14, 2000

Mr. Harold R. Fitch  
Assistant Supervisor of Wells  
and Chief  
Geological Survey Division  
Michigan Department of Environmental Quality  
735 E. Hazel Street  
P.O. Box 30256  
Lansing, MI 48909-7756

RECEIVED

APR 19 2000

GEOLOGICAL SURVEY DIV  
ENVIRONMENTAL QUALITY

RE: Memo of Understanding

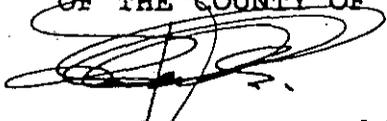
Dear Mr. Fitch:

Enclosed is a signed copy of the Memo of Understanding for coordinating permitting and enforcement procedures for the Soil Erosion and Sedimentation Control Act.

We appreciate your cooperation in entering into this procedure. Please provide a fully executed copy to Edward Boddy, our SESCA Enforcement Officer, for his files. If you need anything further at this time, please advise me.

Very truly yours,

BOARD OF PUBLIC WORKS  
OF THE COUNTY OF ST. CLAIR

  
Donald M. Maronde, Director

sb  
Encl.

cc: Edward Boddy

# MEMORANDUM OF UNDERSTANDING

between

ST. CLAIR COUNTY  
Department of <sup>Public Works</sup> ~~and~~

## MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

### SOIL EROSION AND SEDIMENTATION CONTROL COORDINATED PERMITTING AND ENFORCEMENT PROCEDURES

#### PURPOSE

The purpose of this agreement is to implement a standardized process for Soil Erosion and Sedimentation Control permitting for oil and gas exploration and development activities; and to define procedures for inspection and enforcement.

#### JURISDICTION AND AUTHORITY

The procedures described in this agreement are pursuant to Part 91, Soil Erosion and Sedimentation Control ("Part 91") and Part 615, Supervisor of Wells ("Part 615"), Natural Resources and Environmental Protection Act, 1994 P.A. 451, as amended.

#### DEFINITIONS

For purposes of this memorandum of understanding, the following terms are defined:

"Surface facility" means a facility used in the production, processing, or treatment of oil or gas, or for the injection of associated fluids, including pumping equipment, separators, storage tanks, treatment equipment, and compressors.

"Flow line" means piping that connects an oil or gas well or wells to a surface facility.

#### RESPONSIBILITIES OF DEPARTMENT OF ENVIRONMENTAL QUALITY AND COUNTY ENFORCING AGENCIES

The responsibilities of the Department of Environmental Quality (DEQ) and County Enforcing Agencies (CEA) in review of permit applications, inspection, and enforcement are as follows.

1. The DEQ agrees to honor the CEA permitting review process for flow lines as the process is defined under the "Permitting Procedure" section of this agreement; provided that in case of conflict as to the location of flow lines, the provisions of Part 615 shall take primacy.

2. The CEA agrees to honor the DEQ Permit to Drill and Operate, which shall include erosion control plan approval for well sites, access roads, flow lines, and surface facilities.
3. If erosion occurs or will reasonably occur, the CEA shall have enforcement authority at well sites, access roads, surface facilities, and flow lines, whether or not a permit has been issued by the CEA; provided actions or requirements by the CEA shall not interfere with safety and environmental protection concerns pursuant to the requirements of Part 615.
4. The DEQ agrees that if a project encompasses a geographic area covered by more than one CEA, each CEA may handle erosion control permitting review, inspection, and enforcement for its respective area.
5. CEA fees shall be set at amounts no higher than necessary to fund a reasonable program for permitting review, inspection of sites, and enforcement.

#### PERMITTING REVIEW PROCEDURE

Permit application, review, and issuance shall conform to the following procedure:

1. An applicant shall submit a Soil Erosion and Sedimentation Control Plan ("Plan"), including any amendments, as part of an application for Permit to Drill and Operate to the Geological Survey Division (GSD) of the DEQ. The applicant shall submit a copy of the Plan to the CEA at the same time. The copy of the Plan submitted to the CEA should be accompanied by appropriate fees. Plans will be submitted on the form which is attached to and made a part of this agreement. The form may be subsequently changed upon agreement by both parties.
2. The GSD shall review the Plan for well sites, access roads, flow lines, and surface facilities. The CEA shall review the Plan for those portions of flow lines that extend beyond the well pad. The CEA may also review the Plan for well sites, access roads, and surface facilities, at the CEA's discretion. The CEA shall submit recommendations to the GSD within 30 days of receipt. The time frame may be accelerated by GSD for exceptional circumstances for well site and access road reviews.
3. Within the 30 day review period, the CEA shall do one of the following:
  - (a) Recommend approval of the Plan. The recommendation will be sent to GSD and incorporated as part of the GSD application review.
  - (b) Require modifications to the Plan. The CEA will contact the applicant, explain the concerns, and attempt to resolve any issues with the applicant. The CEA will notify GSD of any modifications required for CEA approval. If a satisfactory modified Plan is developed, the CEA will approve it as in (a) above. If not, then the CEA will follow step (c).

- (c) Recommend disapproval of the Plan. Copies of the recommendation will be sent to both the applicant and GSD, with a statement of the reasons for disapproval and conditions required for approval. GSD will consider the CEA's objections as part of its review and decision as to issuance of a Permit to Drill and Operate.
  - (d) Take no action. In this instance, the GSD will proceed with application review on the assumption that the CEA has no comments or recommendations.
4. If substantial revisions are made to the Plan pursuant to GSD review, a copy of the amended Plan will be provided by the applicant to the CEA. The CEA will have 15 days to review the amended Plan and take action in accordance with 3.(a) - (d) of this permitting review procedure. GSD will issue a Permit to Drill and Operate when it is satisfied all statutory requirements are met. Issuance of a Permit to Drill and Operate constitutes a finding by the Supervisor of Wells that the permittee is in compliance with Part 91 of Act 451, P.A. 1994, as amended. All work done under the permit is subject to the conformance bond filed with the DEQ under the provisions of Part 615.
5. Permittee begins permitted work.

#### INSPECTION AND ENFORCEMENT

1. The CEA will conduct periodic field inspection of earth change activities. The GSD will conduct periodic field inspections of all oil and gas exploration and production activities.
2. If the CEA discovers a soil erosion and sedimentation control problem, the CEA will pursue the following actions:
  - (a) The CEA will discuss the problem directly with the operator and provide direction in resolving the problem.
  - (b) If the CEA is not satisfied with the progress in resolving the problem, the CEA shall notify GSD, and GSD will pursue appropriate compliance action under its statutory authority.
3. If the GSD discovers a soil erosion and sedimentation control problem, the GSD will pursue the following actions:
  - (a) The GSD will discuss the problem directly with the operator and provide direction in resolving the problem.
  - (b) If the GSD is not satisfied with the progress in resolving the problem, the GSD shall notify the CEA. GSD will pursue appropriate compliance action under its permit authority.

- The CEA may proceed under its own enforcement authority at any time to ensure that soil erosion and sediment control requirements are met.

**EFFECTIVE DATE**

This agreement shall become effective upon signature by both parties. This agreement may be terminated by either party by giving 30 days written notice to the other party of intent to terminate.

**DEPARTMENT OF ENVIRONMENTAL QUALITY:**

By *Harold R. Ford*

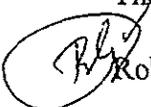
Date 6-16-00

ST. CLAIR COUNTY: DEPARTMENT OF PUBLIC WORKS

By *[Signature]*  
Donald M. Maronde, Director

Date April 14, 2000

MEMORANDUM

DATE: April 12, 2004  
TO: Thomas Godbold  
FROM:  Robert Goodall / County Coordinator  
CC: Jim Zavislak / Drain Commissioner - Soil Erosion Officer  
RE: Termination - MOU

---

RECEIVED

APR 13 2004

ENVIRONMENTAL QUALITY  
GEOLOGICAL & LAND MANAGEMENT

At the request of Ms. Ann Stephens from your office I have enclosed a copy of a letter dated July 9, 2003 regarding certain action taken by the Board of Commissioners at their regular meeting held on July 9<sup>th</sup>, 2003, that effectively rescinds a previous Memorandum Of Understanding (12/26/96) between Montmorency County and the DEQ.

This action was taken upon the recommendation of Mr. Jim Zavislak, the County's Drain Commissioner and appointed Soil Erosion Officer.

This letter was originally forwarded to your office on July 10, 2003.

Attachment: MOU Rescind Letter - July 9, 2003

Richard E. Hermanson, Chairman  
Roger D. Frye, Vice-Chairman  
Michael A. Davis  
Harry V. Dice  
Daniel L. Marcrum

Robert Goodall  
County Coordinator



12265 M-32

P.O. Box 789  
Atlanta, Michigan 49709

Phone (989) 785-8000  
FAX (989) 785-8001

## Montmorency County Board of Commissioners

July 9, 2003

**Department of Environmental Quality**  
Constitution Hall, 525 West Allegan Street  
P.O. Box 30458,  
Lansing, MI 48909-7958

ATTN.: Mr. Thomas Godbold,  
*Chief of Geological Services Section*

Subject: Notice of Termination – MOU / 1996

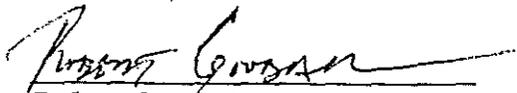
Dear Mr. Godbold,

At the recent meeting of the Montmorency County Board of Commissioners held in Atlanta, Michigan on July 9, 2003, on a recommendation by the County Soil Erosion Officer, Mr. Jim Zavislak, the following action was taken:

On a motion by Commissioner Marcrum, and supported by Commissioner Davis, the Board unanimously moved to terminate the Memorandum of Understanding of 1996 (attachment) between Montmorency County and the DEQ effective 30 days from this date.

This notification is served without prejudice.

Sincerely,

  
**Robert Goodall**  
Coordinator / Montmorency County

Attachment: MOU / 1996

CC: Jim Zavislak / Montmorency County Soil Erosion Officer

MICHIGAN DEPARTMENT OF NATURAL RESOURCES

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INTEROFFICE COMMUNICATION  
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May 3, 1993

TO: Regional And District Supervisors,  
Peg McComb-Elowski, Supervisor, Compliance Unit  
Innaiah Pothacamury, Supervisor,  
Glacial and Groundwater Geology Unit  
Ray Vugrinovich, Waste Management Specialist  
Rodger Whitener, Supervisor,  
Policy Procedures and Special Services  
Geological Survey Division

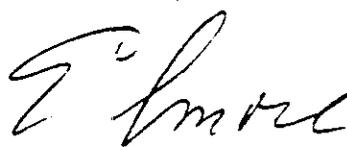
FROM: Elmore E. Eltzroth, Supervisor, Administration Section  
Geological Survey Division

SUBJECT: Memorandum of Understanding with  
Waste Management Division regarding  
Central Treatment Sites

The attached Memorandum of Understanding and model Stipulation and Consent Order identifies the conditions under which we may allow a central treatment site to be operated under the authority of Act 61. You may use this immediately for treatment of contaminated soils by a single operator but from multiple well sites. Treatment of contaminated soil at the site of generation continues to be under the authority of Act 61 while treatment of soils at central sites by thermal treatment processes will be under the authority of an Act 348 permit issued by Air Quality Division. Please direct any questions regarding implementation of this process to your Regional Supervisor or to me.

attach:

cc: R. Thomas Segall



V-13 a.

MEMORANDUM OF UNDERSTANDING

BETWEEN THE  
WASTE MANAGEMENT DIVISION  
AND THE  
GEOLOGICAL SURVEY DIVISION

The purpose of this Memorandum of Understanding is to stipulate under what conditions the Geological Survey Division will regulate the construction and operation of a Central Treatment Site (CTS) designed for the storage and treatment of contaminated soils generated incidental to oil and gas operations from multiple, permitted, well sites under Act No. 61 of the Public Acts of 1939, as amended (Act 61).

The Geological Survey Division (GSD) is responsible for regulating the drilling for, and production of, oil and gas under Act 61. The Supervisor of Wells is authorized under Section 6(c) of that Act:

" . . . to require the disposal of salt water and brines and oily wastes produced incidental to oil and gas operations, in such manner and by such methods and means that no unnecessary damage or danger to or destruction of surface or underground resources, to neighboring properties or rights, or to life, shall result."

The Department of Natural Resources (DNR) has delegated to the GSD the responsibility of remediation of contaminated soils from spills or losses from wells, production equipment, and/or flowlines which occur prior to the first point of sale, pursuant to Act 61.

The Waste Management Division (WMD) regulates the treatment and disposal of contaminated soil through the Solid Waste Management Act, Act No. 641 of the Public Acts of 1978, as amended, unless it is a waste already regulated by permit under another statute (Sec. 7(1)(k) of Act 641).

Wastes produced incidental to the production of oil and gas will, for purposes of this Memorandum of Understanding, include oil and/or brine contaminated soils derived from any oil or gas exploration, production, transportation, or storage activity before the first point of sale.

THERMAL TREATMENT OF WASTES

If regulated by permit under the Air Pollution Act, Act No. 348 of the Public Acts of 1965, as amended, thermal treatment of soils at or from oil and gas well sites will be under the jurisdiction of the Air Quality Division.

SINGLE SITE TREATMENT

Contaminated soils may be treated on the wellsite of generation subject to receiving the written approval of a remedial action plan (RAP) submitted to the GSD district geologist (contents of the RAP as described in Section 4(b) of this Memorandum as set forth below). On-site treatment of contaminated soils is regulated by Act 61 and does not require a consent agreement with the person who is the permittee of the wells at the site.

CENTRAL STORAGE AND TREATMENT SITE - ONE OWNER

A person may, under the authority of Act 61, store and treat contaminated soils produced incidental to oil and gas operations at a CTS under the following conditions:

1. The person is the permittee under Act 61 of the wells supplying the contaminated soils.
2. The site of the CTS shall have a valid permit and bond under Act 61.
3. The CTS is owned by the permittee, or the minerals at the site are currently under lease to the permittee, and written permission is obtained from the surface owner.
4. A consent agreement between the permittee and the DNR is entered into and provides for the following:
  - a. Name, permit number, location, and ownership of the CTS and the well sites generating the contaminated soils;
  - b. A RAP, submitted in writing and approved by the GSD district geologist, is required prior to construction of a CTS. The RAP for the proposed site shall include the following:
    1. Analysis of the contaminated soils, to be sampled prior to storage and treatment;
    2. Treatment methods;
    3. Construction plans of treatment and storage facilities;
    4. Plans detailing the containment structures and procedures;

5. Groundwater monitoring program designed to ensure that there are no unapproved discharges to the waters of the state.
- c. After treatment and prior to removal of treated soils from the CTS, the soils shall be tested to show compliance with Type A or Type B criteria as defined in the administrative rules promulgated pursuant to the Environmental Response Act, Act No. 307 of the Public Acts of 1982, as amended. These analyses will be provided to the GSD district geologist as outlined in the consent agreement. Treated materials which do not meet these standards will be managed as solid waste and properly disposed of according to Act 641 or other applicable regulations.
- d. A statement that the permittee shall commence treatment of any stored soils within six (6) months and remove treated soils within six (6) months of treatment unless otherwise approved by the GSD district geologist.
- e. An annual report prepared by the permittee is to be submitted to the GSD district geologist summarizing the source, amount, and disposition of treated soils by January 31 of the following year.
- f. A statement that the waste transporter(s) will comply with applicable sections of Act 641 and the Liquid Industrial Waste Act, Act No. 136 of the Public Acts of 1969, as amended.

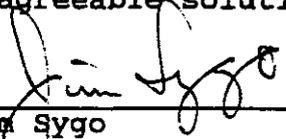
CENTRAL TREATMENT SITES - FOR SOILS FROM MULTIPLE OWNERS

Multiple owner treatment sites will require an Act 641 license, a construction permit, and other appropriate permit(s). Contaminated soils from sites other than those of the permittee of the CTS will not be stored or treated at a CTS regulated under Act 61.

In the event that differences arise as to the conduct of an investigation, inspection, or regarding the appropriate course of action to be taken in a particular permit or problem, the Chiefs of the GSD and WMD shall reach a mutually agreeable solution.

  
R. Thomas Segall  
Chief

(date)

  
Jim Sygo  
Chief

(date)

4/28/93

STATE OF MICHIGAN  
DEPARTMENT OF NATURAL RESOURCES

In the matter of:

COMPANY NAME  
SITE NAME  
NAME Township, NAME County, Michigan  
Case #

STIPULATION AND CONSENT ORDER

This is a Stipulation and a Consent Order (hereinafter referred to as an Order), by and between COMPANY NAME and the Michigan Department of Natural Resources (hereinafter referred to as the Department), by and through R. Thomas Segall, Assistant Supervisor of Wells, Michigan Department of Natural Resources. In consideration of the mutual promises and undertakings set forth below, the parties stipulate and agree as follows:

1. The Department is charged with enforcement of The Supervisor of Wells Act, 1939 P.A. 61, as amended, MCLA 319.1 et seq.; MSA 13.139(1) et seq.; and rules promulgated thereunder (hereinafter referred to as "Act 61").
2. The entry of this Order is in lieu of any administrative hearings or other administrative relief to which COMPANY NAME may otherwise be entitled. The appropriate forum for any civil court proceedings is the Circuit Court for the County of Ingham, State of Michigan.
3. This agreement establishes a Central Treatment Site (CTS) for short-term storage and treatment of contaminated soils from multiple oil and gas well sites permitted to COMPANY NAME. A CTS is defined as the land (site) upon which the storage and treatment will occur. The CTS is owned by or minerals are leased by COMPANY NAME, and written permission has been provided by the surface owners.
4. COMPANY NAME agrees that this site will continue under existing bond number < > for Act 61 permit number < > at a minimum of <\$50,000> or that a supplemental surety bond, security or cash bond of <\$50,000> will be provided to ensure treatment of all contaminated soil on site and restoration of the site. The department further stipulates that upon closure and restoration of the CTS to its original condition the supplemental bond will be released.

5. The CTS and well sites to be excavated are as follows:

CENTRAL TREATMENT SITE

Associated Well Name and Permit Number \_\_\_\_\_

Location (QTR, QTR, QTR, SEC, TWP, RGE) \_\_\_\_\_

Surface owner \_\_\_\_\_

The following well sites will be the source of contaminated soils. Additional well sites may be added to the list by request in writing to and written approval of the district geologist.

	Well Name	Permit Number	Location, SEC-TWP-RGE
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____

6. Cleanup at these sites will be according to an approved Remedial Action Plan (RAP) and all remaining soil will meet Type A or Type B cleanup criteria as defined in the administrative rules promulgated pursuant to the Environmental Response Act, 1982 P.A. 307, as amended, being MAC R299.5711 and R299.5715 (Act 307). Verification is required by sampling in a grid pattern as approved by the Supervisor. Documentation will be submitted to the district geologist.

7. The contaminated soils are waste as defined under Act 61 and the well sites listed above are permitted under Act 61. As such, these soils, when treated and disposed of through a CTS in accordance with this order, are not solid waste as defined by the Solid Waste Management Act, 1978 P.A. 641, as amended (Act 641), and the CTS will not require a construction permit and/or operating license under Act 641. For purposes of the Order, COMPANY NAME will not raise a jurisdictional defense in any state enforcement of this Order.

8. COMPANY NAME shall provide a copy of this Order to any prospective successor in interest prior to transfer of ownership of property or interest owned by COMPANY NAME for the wells listed above and included within this Order.
9. Both parties agree that under Act 61 the steps set forth herein are necessary to control waste and to alleviate pollution, impairment and destruction of the natural resources of the state. Also, failure to comply with any of the agreed upon provisions and procedures shall:
  - (A) be a violation of Act 61;
  - (B) provide sufficient reason to withhold the issuance or transfer of any Act 61 drilling permits that COMPANY NAME may have outstanding with the Geological Survey Division (GSD);
  - (C) further provide cause for the Supervisor of Wells to issue an Order requiring shut-in of the wells included in this Consent Order; and
  - (D) not prevent the state of Michigan from taking any action it deems necessary to protect the environment and public health, safety, and welfare.
10. Pursuant to Act 61, COMPANY NAME was issued permits to drill for the wells listed above. The wells are out of compliance with Act 61, and COMPANY NAME desires to restore the wells into compliance. Toward that end, COMPANY NAME agrees and stipulates to accomplish the following procedures:
  - A. The contaminated soils are the result of remediation activities conducted pursuant to Act 61.
  - B. The treatment system to be implemented will be in accordance with an approved RAP, including construction plans, primary containment, ground water monitoring, and operational plans. The RAP will be reviewed by and must have the written approval of the district geologist. Any proposed changes to the RAP must also have prior written approval of the district geologist. Continued operation of the CTS is contingent on annual review and approval by the district geologist upon receipt of the annual report submitted by COMPANY NAME (see Section J, annual report).
  - C. The soil treatment system may consist of methods of treatment, including soil washing and/or bioremediation

as approved by the department. The treatment system shall remove the contaminants in the soil to levels which meet the Act 307, Type A or Type B criteria, which will make the soil suitable for unrestricted use.

- D. Contaminated soil from separate sources shall be segregated in storage and during treatment until the soil has been verified clean through testing. An exception may be approved in writing upon written submission to and review by the district geologist to combine batches of soil at an established treatment site where treatment methods have already proven to be effective.
- E. Treated soils which do not achieve Act 307, Type A or Type B criteria, shall be managed as solid waste under Act 641 and properly disposed in a licensed disposal facility in accordance with all applicable regulations, within ten (10) days of such determination.
- F. Storage and treatment of contaminated soil shall be conducted in a manner that will prevent leachate from entering the surface water or ground water in violation of the Michigan Water Resources Commission Act, 1929 P.A. 245, as amended, (Act 245). Any leachate/runoff shall be collected and treated. Any airborne emissions of hazardous substances will require notification to the Air Quality Division. Primary containment consisting of impervious liners and covers or other impervious containers for contaminated soils is required for the short-term storage areas and must be specified in the RAP. Short-term storage is defined as a period of six (6) months or less. Upon written submission to and review by the district geologist, extensions shall be approved in writing.
- G. At the CTS, a ground water monitoring system is to be installed and maintained to detect any leakage of hydrocarbon or brine into the soil or ground water. No discharge of hazardous substances into the waters of the state is allowed. Remedial action in the form of containment and removal shall be taken immediately in the event of a release to the waters of the state. A written report of any releases detected in the monitoring system setting forth the events that occurred and the measures taken and to be taken to mitigate the release and to prevent the recurrence of such an incident, will be submitted to the district geologist within 48 hours of the release.

- H. All spills or releases shall be reported immediately to the district geologist or the Pollution Emergency Alert System (PEAS) at 1-800-292-4706 for calls originating in Michigan or 1-517-373-7660 for call outside Michigan.
- I. The maximum amount of soil to be accumulated for processing at the CTS shall not exceed 5,000 cubic yards at any one time unless permission for the accumulation of additional amounts is granted, in writing, by the district geologist. The maximum amount of stockpiled treated soil shall not exceed 5,000 cubic yards at any one time unless permission for accumulation of additional amounts is granted, in writing, by the district geologist.
- J. COMPANY NAME shall prepare and submit an annual report of activity at the CTS to the district geologist including the following information:
- 1) List of sites that generated soil treated in the previous calendar year;
  - 2) Volume of contaminated soil received at CTS;
  - 3) Volume of soil treated at CTS;
  - 4) Volume of treated soil removed from CTS;
  - 5) Final disposition of the treated soil;
  - 6) Volume of soil currently on-site untreated, in treatment, and treated;
  - 7) Any proposed changes to the RAP for the CTS or sites to be treated.
- K. Upon closure of the site, soils under liners or impervious containers must be tested upon removal of the liner or container and final ground water samples must be taken with results submitted to the district geologist to show compliance with Act 307, Type A or Type B criteria.
11. The Department reserves the right to amend the RAP in the event that the RAP is not providing an acceptable standard of treatment of soils or protection of the environment at the CTS.

- 12. Entry of this Order does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law.
- 13. Liquids generated at this facility will be managed in accordance with the appropriate portions of Act 61 or the Liquid Industrial Haulers Act, 1969 P.A. 136, as amended.
- 14. Nothing in this Order shall in any manner restrict or limit the nature or scope of response actions which may be taken by the Department in fulfilling its responsibilities under state and federal laws.

Entered into on this date:      Date: \_\_\_\_\_

\_\_\_\_\_  
COMPANY NAME  
ADDRESS

This statement of \_\_\_\_\_ was taken and made before the undersigned on this \_\_\_\_\_ day of \_\_\_\_\_, 1994, after being first duly sworn and placed under oath.

\_\_\_\_\_  
Notary Public

My Commission Expires \_\_\_\_\_

It is hereby ordered that the foregoing stipulation between COMPANY NAME and the Michigan Department of Natural Resources be and the same hereby is entered as a final Order, thereby constituting a final decision of the Supervisor of Wells.

Dated: \_\_\_\_\_

\_\_\_\_\_  
R. Thomas Segall  
Assistant Supervisor of Wells



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF NATURAL RESOURCES  
LANSING



RODNEY A. STOKES  
DIRECTOR

TO: Jim Sygo, Deputy Director, Department of Environmental Quality

FROM: Kelley D. Smith, Ph.D., Acting Deputy Director  
Department of Natural Resources

DATE: September 23, 2011

SUBJECT: Elimination of the Environmental Review Program

The Environmental Review Program is not included in the Department of Natural Resources (DNR) FY 2012 budget. This service has been provided by the DNR Wildlife Division and the Michigan Natural Resources Inventory (MNFI) for approximately 30 years. The program was funded with state general funds and was eliminated when the DNR was instructed to remove funding and a program during development of the FY 2012 budget.

There will still be a need for contractors and consultants to check the database that was used for environmental review so they can determine if there are any known occurrences of endangered or threatened species (element occurrences) in the areas where they propose to work. The MNFI will query the database for those folks on a fee basis. We encourage the Department of Environmental Quality (DEQ) to establish a relationship with the MNFI to expedite such queries.

Other details about the elimination of the Environmental Review Program are currently being worked out by the Department of Environmental Quality, DNR, and MNFI staff. If you have additional questions, please contact Russ Mason, Chief, Wildlife Division, at 335-4085 or [MasonR2@michigan.gov](mailto:MasonR2@michigan.gov); or you may contact me.

cc: Director Dan Wyant, DEQ  
Mr. Brian Klatt, MNFI  
Director Rodney A. Stokes, DNR  
Dr. Russ Mason, DNR  
Mr. Douglas Reeves, DNR