

# Montana Petroleum Association

phone (406) 442-7582 ♦ fax (406) 443-7291 ♦ [mpa@montanapetroleum.org](mailto:mpa@montanapetroleum.org) ♦  
[www.montanapetroleum.org](http://www.montanapetroleum.org)

## HEARD IT THROUGH THE PIPELINE

June 5, 2009

**EXECUTIVE DIRECTOR'S NOTE:** This news letter is the primary communication tool for the MPA Office and all our members. I encourage you to make sure that all your employees who have an interest are included in our distribution lists. I traveled in eastern Montana earlier this week and stopped to visit with MPA members' employees at the field locations. It was very interesting and educational for me as well as the people working in these locations. I encourage you to ensure that these folks are included in the distribution of the Heard it Through the Pipeline. Please send Bobbie their email addresses and they will be included on every issue. It has been a hectic month since the Legislature adjourned and this is lengthy. Please give it a few extra minutes; the long awaited Planning meeting agenda is also attached.

### MPA ANNUAL MEETING:

It is time to mark your calendars and consider attending the MPA Annual Meeting, Golf Tournament & Petroleum Industry Appreciation Day Luncheon. We have quite a bit lined up for you and look forward to your participation. The meeting will be August 31<sup>st</sup> - September 2, 2009 at the Crowne Plaza Hotel, in Billings Montana. We will be sending out sponsorship forms in the near future and hope you can provide some level of sponsorship in this financially tough year. Please mark your calendars and here are the details:

August 31 - Monday: MPA in partnership with the EPA will sponsor a training seminar in the Natural Gas Star Program. The seminar will be targeted to upstream and mid stream operations. The seminar will run from 10:00 AM to about 4:00 PM. With the emphasis placed on reducing fugitive emissions, this training session is especially well timed. We ask each of you to consider scheduling and sending the people who work in the field at the location to this session. While it is in conjunction with the MPA Annual Meeting, and we certainly would like to see everybody stay, this session is free and will take all of Monday, August 31. Some detail is available at <http://www.epa.gov/gasstar/workshops/index.html> and more will follow.

September 1 - Tuesday: The MPA Board of Directors Meeting will take place in the morning followed by our annual Golf Tournament at the Pryor Creek Country Club and barbeque.

September 2 - Wednesday: Our morning program has confirmed attendance by Perry Pendley of the Mountain States Legal Foundation (MSLF). MSLF is the legal firm representing the MPA in our intervention in the lawsuit filed by the Montana Wildlife Federation against the MT Board of Oil and Gas. This is a critical lawsuit and we are excited to get an update from Perry on this action and others in the Rocky Mountain west.

We will also hear from the Director of the MT Department of Environmental Quality, Richard Oppen about the current changes going on at the State and Federal level. We are also working on a special guest panel to discuss current issues in Washington.

The Petroleum Industry Appreciation Day Luncheon speaker is the National spokesperson for the Congress on Racial Equality, Mr. Niger Innis. Some of you may have read a book called **Energy Keepers, Energy Killers**, which was written by CORE founder Ray Innis. If you have not read the book, we suggest that you get a copy, it is worth the time. CORE presents a different, but spot-on defense of the energy industry and is powerful ally as we fight our issues in our Nation's Capital.

For those of you who like to fish, I did not get enough interest to hold a day on the river. MPA would be more than willing though to find guides on the Big Horn, Stillwater, or upper Yellowstone rivers for persons who would like to spend some time fishing Montana's premier streams. Please let us help you in your fishing adventures.

Again, please mark your calendars for the MPA Annual Meeting, Golf Tournament & Petroleum Industry Appreciation Day Luncheon. Also if you have some golf items, shirts, or other promotional items please consider a contribution to our golf tournament prize table.

### **MPA OUTREACH WITH CONGRESSMAN REHBERG, AND SENATORS BAUCUS AND TESTER:**

In April of this year, MPA President Dave Ballard led a delegation of MPA members (Chip Youlden, Bill Ballard, Brian Cebull, Jack King, and Bob Nance) to a meeting with members of our Washington delegation to discuss our concerns about tax issues in the President's budget. Senator Baucus and his staff listened as MPA officers explained the difficulties these tax increases will have on our industry. MPA has sent one letter detailing our concerns to the delegation which is attached. During the discussion the Senator's Finance staff asked if we could provide some third party information to help explain the impact to Montana's oil and gas industry. MPA is in the final stages of providing that information and will share it with you when we send it to the Delegation.

As a result of the tax discussion, Catharine Cyr Ransom, Senior Climate Change and Environment Policy Advisor to Senator Baucus asked MPA to provide comments on the Waxman-Markey legislation pending in Congress and asked for our help on climate issues in general. MPA has provided on a detailed letter, also attached, on climate issues and continues to work with Catherine.

### **DEQ PERMIT FEE INCREASE**

At our MPA E&S Committee meeting on May 27<sup>th</sup> in Billings we had presentations from the Department of Environmental Quality on proposed fee changes that they will be promulgating in the Administrative Rule Process. DEQ is facing raising costs and needs to raise fees in both the air quality program and the storm water permitting section. Air quality fees will increase to between \$36-\$41 dollars per ton. For those on the upstream registration process you will see an increase from \$600 to \$800 per registration. Air permit fees for all new registrations will stay the same, but Title V permits will increase from \$500 to \$15,000.

Storm water permits will also see changes. The draft rule is attached for your review. DEQ has asked for initial comments to the storm water rule by June 12<sup>th</sup>. MPA has organized a small task force and we are addressing those comments and we will be sending a set of draft comments to E&S Committee members early next week. If you would like to be included on the E&S Committee mailing and are not currently receiving E&S Committee email please let Bobbie at [bobbie@montanapetroleum.org](mailto:bobbie@montanapetroleum.org) now and we will make sure you are included. Attached is the presentation on the air permit fee change.

### **DEQ ENGINE RULES:**

Last year we began working with DEQ to see if rules could be developed that would allow air quality permits for engines to be included in the registration program. We have not proceeded with the rules until the Montana Legislative Session was over. DEQ has given us a draft to begin discussion which is attached. MPA will be working through the E&S Committee to address these rules, so make sure you are getting on the E&S mailing e-mail list.

### **THEODORE ROOSEVELT CONSERVATION PARTNERSHIP ASKS FOR MORE FEDERAL LAND TO BE PERMENENTLY WITHDRAWN FROM LEASING**

Many of you may have seen a recent newspaper article about the TRCP petitioning the BLM to remove over 250,000 acres of BLM lands from the potential to be leased for oil and gas development. MPA requested copies of the letters and they are attached. It is the intent of the TRCP to work in both the Miles City and Malta Resource Management Plan re-writes to pull these lands from the ability to be leased. MPA will be working to keep them as they are now.

### **MPA PLANNING MEETING**

The MPA Planning meeting is just around the corner, June 22-24<sup>th</sup> in Big Sky, Montana. The draft agenda and registration forms are attached. Please consider attendance and help with the formation of MPA work plans.

### **ARTICLES OF INTEREST:**

OIL AND GAS: Groups make cartographic plea to protect Missouri Breaks (05/21/2009) - attached

Geologic CO2 Sequestration Research at the USGS

[http://energy.er.usgs.gov/health\\_environment/co2\\_sequestration/index.htm](http://energy.er.usgs.gov/health_environment/co2_sequestration/index.htm)

### **THANK YOU TO 2009 NEW AND RENEWED MEMBERS (4/21/09 – 6/5/09):**

Aspen Air Corporation; Augustus Energy Partners LLC; CHS Inc.; and Knapp Oil Corporation