

Williams Production faces further fines

Company spills more CBM water

By MEAD GRUVER - Associated Press writer - with staff reports | Posted: Thursday, March 4, 2010

CHEYENNE -- A recent Wyoming Department of Environmental Quality citation is just part of a series of problems Williams Production Co. has had with handling water produced by coal-bed methane wells in the Powder River Basin, state and federal documents show.

Williams pipes have broken and spilled coal-bed methane water at least 16 times in the basin since August. The combined spills released close to 1 million gallons, according to U.S. Bureau of Land Management documents and the Department of Environmental Quality's inspection and compliance supervisor, Brian Lovett.

Six spills within the last 10 days -- including a 21,000-gallon spill just Tuesday -- have totaled nearly 166,000 gallons, Lovett said. On Jan. 6, three spills totaling 420,000 gallons caused the Tulsa, Okla.-based company to receive its fifth state violation notice in four years for improper water discharges in the basin.

"We're concerned," Lovett said Wednesday. "I'm certainly not seeing very many spills from other companies."

Eleven spills since August have occurred on one ranch on the east side of the Powder River between Gillette and Sheridan. Ranch owner Billy Maycock has been involved in numerous court battles with Williams, and condemnation of his land has enabled the company to drill for coal-bed methane on parts of his ranch.

"They are externalizing their cost of doing business onto Billy Maycock. They are using Billy Maycock to develop their gas resource and make more money off it by destroying his property," said Jill Morrison, an organizer with the Powder River Basin Resource Council, a local landowner group.

Coal-bed methane water is often salty, Morrison said, and Maycock's ranch also has suffered considerable erosion where the spills have occurred.

"They have no respect for the land -- whose land it is, how it's treated, how they develop the resource on it. They don't care," she said of Williams.

Phone messages left with Williams spokespeople seeking comment Wednesday weren't returned. Maycock also didn't return a phone message Wednesday.

Last week, Williams spokesman Kelly Swan told the Casper Star-Tribune that the company is gathering information and plans to meet with DEQ staff within the next couple of weeks.

"We take these matters seriously and will work with the agency to take appropriate corrective measures if necessary," Swan said.

Coal-bed methane production involves pumping water off saturated coal seams, depressurizing the seams not unlike when a soda bottle is opened. Methane gas condenses out of the water and is pumped to the surface.

Groundwater is a byproduct of the process. State and federal agencies regulate how coal-bed methane water is funneled through pipes, channels, reservoirs and into natural watersheds.

Williams has paid \$60,333 to settle three of its state violations since 2006, state documents show.

Morrison called the amount "peanuts" for such a large company. Lovett said the department fines polluters according to a formula that considers past violations.

He said companies in the past have blamed frigid weather for causing pipes to freeze and burst. He noted that the weather in Wyoming hasn't been especially cold lately.

"Whether there's been a change in water management or moving more water, something's obviously occurred where we're seeing this flurry of spill reports," he said.

Department of Environmental Quality officials plan to meet with Williams representatives in Cheyenne on March 17 to discuss the latest violation. The Jan. 6 spills occurred in an area where drilling has been suspended since last year while the U.S. Bureau of Land Management reviews safeguards for a local elk herd, Morrison said.

The spilled water flowed into a creek, which means the state probably will pursue another fine, Lovett said.