

Montana Board of Oil and Gas Conservation  
Environmental Assessment

Operator: Compass Energy, Inc.  
Well Name/Number: J. Powers No. 3  
Location: SE SE SW Section 20 T29N R5W  
County: Pondera MT; Field (or Wildcat) Lake Frances Gas

**Air Quality**

(possible concerns)

Long drilling time no, 3 to 4 days drilling time.  
Unusually deep drilling (high horsepower rig) no, 2300' TD  
Possible H2S gas production no  
n/near Class I air quality area no  
Air quality permit for flaring/venting (if productive) n/a

Mitigation:

- Air quality permit (AQB review)
- Gas plants/pipelines available for sour gas
- Special equipment/procedures requirements
- Other: \_\_\_\_\_

Comments: no special concerns – using small rig to drill to 2300'

**Water Quality**

(possible concerns)

Salt/oil based mud no, freshwater, freshwater mud system, air, air mist.  
High water table no  
Surface drainage leads to live water No, Surface slopes to the north towards Lake Frances is about 1.25 miles from this location.  
Water well contamination no, all water wells within 1 mile are shallower than 250'.  
Closest water well is about 1/16 of a mile to the north of this location and is about 120' in depth.  
Porous/permeable soils no, gravelly bentonitic soils  
Class I stream drainage no

Mitigation:

- Lined reserve pit
- Adequate surface casing
- Berms/dykes, re-routed drainage
- Closed mud system
- Off-site disposal of solids/liquids (in approved facility)
- Other: \_\_\_\_\_

Comments: 400' of surface casing will be set and cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems or air to be used and casing to be set at 400' and cemented to surface.

**Soils/Vegetation/Land Use**

(possible concerns)

Stream crossings no, stream crossings  
High erosion potential no, small cut, up to 6.0' and small fill, up to 4.6', required.

Loss of soil productivity no, location will be restored after drilling if nonproductive. If productive all unused portions of the drillsite will be reclaimed.

Unusually large wellsite no, 200'X200' location size required.

Damage to improvements no, surface use is a CRP field.

Conflict with existing land use/values Slight

Mitigation

Avoid improvements (topographic tolerance)

Exception location requested

Stockpile topsoil

Stream Crossing Permit (other agency review)

Reclaim unused part of wellsite if productive

Special construction methods to enhance reclamation

Other \_\_\_\_\_

Comments: Access will be over existing county roads and existing trails. A short road of about 1/8 of a mile will be built for location access. No special concerns

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### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences Closest buildings 1/4 mile to the southwest and 0.5 miles to the northwest of this location. USAF missile site 1/2 mile to the northeast..

Possibility of H2S none

Size of rig/length of drilling time Small drilling rig/short 3 to 4 days drilling time

Mitigation:

Proper BOP equipment

Topographic sound barriers

H2S contingency and/or evacuation plan

Special equipment/procedures requirements

Other: \_\_\_\_\_

Comments: no concerns

### Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified) n/a None identified.

Proximity to recreation sites Lake Frances about 1.25 miles to the north.

Creation of new access to wildlife habitat none identified

Conflict with game range/refuge management none identified

Threatened or endangered Species none identified

Mitigation:

Avoidance (topographic tolerance/exception)

Other agency review (DFWP, federal agencies, DSL)

Screening/fencing of pits, drillsite

Other: \_\_\_\_\_

Comments: no concerns

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**Historical/Cultural/Paleontological**

(possible concerns)

Proximity to known sites None identified, private surface

Mitigation

   avoidance (topographic tolerance, location exception)

  X other agency review (SHPO, DSL, federal agencies)

   Other: \_\_\_\_\_

Comments: Private surface

**Social/Economic**

(possible concerns)

   Substantial effect on tax base

   Create demand for new governmental services

   Population increase or relocation

Comments: no concerns

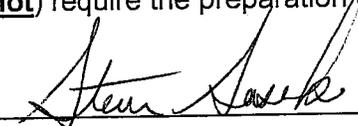
**Remarks or Special Concerns for this site**

Well is a 2300' Bow Island Formation test

**Summary: Evaluation of Impacts and Cumulative effects**

No, significant impacts expected, some short term impacts are expected, but should be able to mitigate these short term impacts.

I conclude that the approval of the subject Notice of Intent to Drill (does/**does not**) constitute a major action of state government significantly affecting the quality of the human environment, and (does/**does not**) require the preparation of an environmental impact statement.

Prepared by (BOGC): Steven Sasaki 

(title): Chief Field Inspector

Date: January 5, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Pondera County water wells

(subject discussed)

January

(date)

If location was inspected before permit approval:

Inspection date: \_\_\_\_\_

Inspector: \_\_\_\_\_

Others present during inspection: \_\_\_\_\_