

**Montana Board of Oil and Gas Conservation
Environmental Assessment**

Operator: Encore Operating, LP
Well Name/Number: Pine Unit 14X-03AH
Location: SW SW Section 3 T11N R57E
County: Wibaux, MT; Field (or Wildcat) Pine

Air Quality

(possible concerns)

Long drilling time 30-40 days drilling time
Unusually deep drilling (high horsepower rig) No, triple drilling rig for 15,596 BHL
Possible H2S gas production yes
n/near Class I air quality area no
Air quality permit for flaring/venting (if productive) Yes, if productive. DEQ air quality permit required.

Mitigation:

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

Comments: no special concerns.

Water Quality

(possible concerns)

Salt/oil based mud use freshwater and freshwater mud system on surface and salt mud and oil based invert emulsion mud to TD. Freshwater mud for the horizontal kickoff section.
High water table no
Surface drainage leads to live water No, closest drainage is an unnamed ephemeral drainage about 1/4 mile to the west of this location.
Water well contamination no surface casing is below all known water wells in the area.
Porous/permeable soils no, bentonite 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: 1700' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used on surface hole.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings none.

High erosion potential no, moderate cut, up to 11.4' and moderate fill, up to 18.4', required.

Loss of soil productivity no, location will be restored after drilling

Unusually large wellsite Large, 275'X400' location size required.

Damage to improvements no

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: All of the access will be over existing county roads and trails. no special concerns Reserve pit liquids to be recycled or hauled to a commercial disposal. Solids will be allowed to dry, pit liner folded over the top of the solids, spoil dirt to fill pit, top soil spread over pit area, and seeded to land owners specification.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences None, closest building is the Pine Gas Plant 1/2 mile to the south of this location in section 10.

Possibility of H2S yes

Size of rig/length of drilling time Triple drilling rig 30 to 40 days drilling time

Mitigation:

Proper BOP equipment

Topographic sound barriers

H2S contingency and/or evacuation plan

Special equipment/procedures requirements

Other: _____

Comments: no special concerns. Proper BOP stack and surface casing should be able to control any problems that occurs.

Wildlife/recreation

(possible concerns)

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

Proximity to recreation sites None identified

Creation of new access to wildlife habitat no

Conflict with game range/refuge management no

Threatened or endangered Species no

Mitigation:

Avoidance (topographic tolerance/exception)

Other agency review (DFWP, federal agencies, DSL)

Screening/fencing of pits, drillsite

Other: _____

Comments: Montana Trust Lands will do surface EA. Surface location on Montana Trust Lands surface. No concerns

Historical/Cultural/Paleontological

(possible concerns)

Proximity to known sites None identified

Mitigation

avoidance (topographic tolerance, location exception)

other agency review (SHPO, DSL, federal agencies)

Other: _____

Comments: Montana Trust Lands surface. Montana Trust Lands will do surface EA.

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: no concerns

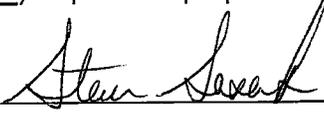
Remarks or Special Concerns for this site

Well is a 15,596' horizontal Red River formation test.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur. Development well in an existing oil and gas field, Pine Field.

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: February 6, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Wibaux County water wells

(subject discussed)

February 4, 2006

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____