

Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Devon Louisiana Corporation
Well Name/Number: Hegle No. 4-16
Location: SE SE Section 4 T30N R16E
County: Hill, MT; Field (or Wildcat) Tiger Ridge Field

Air Quality

(possible concerns)
Long drilling time no, 4 to 5 days
Unusually deep drilling (high horsepower rig) no, 2500' 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 2500'

Water Quality

(possible concerns)
Salt/oil based mud no, freshwater and freshwater mud system.
High water table no
Surface drainage leads to live water yes, close to unnamed ephemeral tributary drainage to Beaver Creek 1/16 of a mile to the south of this location.
Water well contamination no, nearest water well is over 1 mile away. Surface casing will be set and cemented to surface from 150'. If productive 4 1/2" casing will be cemented to surface.
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: 150' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used. Surface and Production casing will be cemented to surface.

Soils/Vegetation/Land Use

(possible concerns)
Stream crossings none
High erosion potential no, small cut, up to 5' and moderate fill, up to 13', required.

Loss of soil productivity no, location will be restored after drilling
Unusually large wellsite no, 250'X250' location size required.
Damage to improvements no
Conflict with existing land use/values no

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 route will be over existing county roads and trails. An access road of about 1/4 of a mile will be constructed to access this location off an existing trail. Cuttings will be buried in the unlined reserve pit. Pit fluids will be trucked to lessor's stock pond. No special concerns.

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences No residences within 1 mile of this location.
Possibility of H2S none
Size of rig/length of drilling time Small drilling rig/short 4 to 5 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 Beaver Creek County Park 7/8 of a mile to the west.
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: 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: on private land

Social/Economic

(possible concerns)
 Substantial effect on tax base
 Create demand for new governmental services
 Population increase or relocation
Comments: no concerns

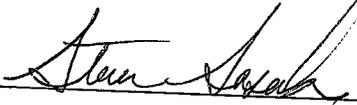
Remarks or Special Concerns for this site

Well is a 2500' Eagle Formation test north side of Bear Paw Mountains

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur

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 17, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC
website
(Name and Agency) _____
Hill County water wells
(subject discussed) _____
February 17, 2006
(date) _____

If location was inspected before permit approval:
Inspection date: _____
Inspector: _____
Others present during inspection: _____