

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

Operator: KeeSun Corporation
Well Name/Number: Zimmerman Realty 11-28
Location: NE SW Section 28 T33N R2W
County: Toole MT; Field (or Wildcat) Prairie Dell

Air Quality

(possible concerns)

Long drilling time no, 3 to 4 days drilling time.
Unusually deep drilling (high horsepower rig) no, 1400' TD
Possible H2S gas production no
In/near Class I air quality area no
Air quality permit for flaring/venting (if productive) Yes, DEQ air quality permit required under 75-2-211.

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 1400'

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 None
Water well contamination none within 1 mile radius or further.
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: 650' of surface casing cemented to surface adequate to protect freshwater zones. Also, air/air mist and/or fresh water mud systems to be used.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings no, stream crossings
High erosion potential no, small cut, up to 3.8' and small fill, up to 5.6', required.
Loss of soil productivity no, location will be restored after drilling, if nonproductive. If productive unused portion of drillsite will be reclaimed.

Unusually large wellsite no, 200'X200' location size required.
Damage to improvements slight, surface use is cultivated land
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 highways, county roads and two track trails. About 3/8 of a mile of new access road will be constructed into this location. Cuttings will be disposed of in the unlined drilling pit. Drilling fluids if any will be allowed to evaporate. Pits will be backfilled after allowing pit to dry. no special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences None nearby. The Shelby airport is 5 miles to the south and the town of Shelby is about 5.5 miles to the south.

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 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: 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: Private surface lands.

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

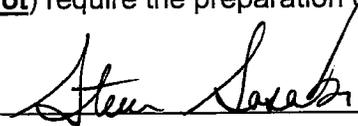
Well is a 1400' Rierdon Formation test

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected from the drilling of this well. Some short term surface impacts will occur, but will mitigate in time. The well is within an existing gas field, Old Shelby.

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: March 31, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Toole County water wells

(subject discussed)

March 31, 2006

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____
