

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

Operator: Altamont Oil & Gas, Inc.
Well Name/Number: Boumans No. 34-2
Location: NE NW Section 34 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, 2000' 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 2000'

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, nearest ephemeral drainage is Lone Man Coulee about 1/16 of a mile to the south of this location.
Water well contamination none, all water wells nearby are less than 500' in depth.
Surface hole will be drilled with air/mist and/or freshwater and freshwater mud. Surface casing will be set to 500' and steel casing run and 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: 500' 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.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings no, stream crossings
High erosion potential no, small cut, up to 4.1' and small fill, up to 4.7', required.

Loss of soil productivity no, location will be restored after drilling, if nonproductive. If productive unused portion of wellsite will be reclaimed.

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

Damage to improvements Slight surface use CRP.

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 exiting county roads with about 3300' of new access will be built into this location. Drill cuttings will be buried in the unlined cuttings pit. Drilling fluids will be allowed to evaporate in the pits. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences residence/buildings 3/4 of a mile to the northeast and 3/8 of a mile to the south of this location.

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 2.5 miles to the northeast.

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

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

Social/Economic

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

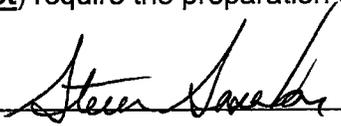
Remarks or Special Concerns for this site

Well is a 2000' Bow Island Formation test

Summary: Evaluation of Impacts and Cumulative effects

No significant impacts expected in the drilling of this gas well. Within the Lake Frances Gas Field and is a development well within the 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: March 31, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)
Pondera County water wells

(subject discussed)
March 31, 2006

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____