

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

Operator: Continental Resources, Inc.
Well Name/Number: Toni 2-17H
Location: SE SE Section 17 T24N R54E
County: Richland, MT; **Field (or Wildcat)** W/C (Bakken Horizontal)

Air Quality

(possible concerns)

Long drilling time no, 50 to 60 days drilling time.

Unusually deep drilling (high horsepower rig) no, Leg No. 1 14,468'MD Leg No. 2 13,908'MD

Possible H2S gas production slight

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 triple rig to drill to 14,468'MD & 13,908'MD – 2 laterals

Water Quality

(possible concerns)

Salt/oil based mud yes, freshwater and freshwater mud system on surface hole and oil based saltwater mud system on mainhole. Brine water to drill horizontal laterals.

High water table no

Surface drainage leads to live water no, nearest drainage is an unnamed ephemeral tributary drainage to West Charlie Creek. Drainage is about 1/8 mile to the northwest of this location.

Water well contamination no, all water wells shallower than surface casing setting depth. Deepest well nearby is 365' in depth. Surface hole will be drilled with freshwater to 1500' and casing cemented back 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: 1500' of surface casing cemented to surface adequate to protect freshwater zones.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings None.
High erosion potential no, moderate cut, up to 19.0' and moderate fill, up to 20.1', 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, 500'X270' location size required.
Damage to improvements slight
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 off of an existing county roads and existing oil well access road. Access road of about 1.125 miles will be built into this location. Cuttings will be buried on site in the lined reserve pit. Drilling fluids will be recycled or hauled to a commercial disposal for injection. Pit will be allowed to dry and will be solidified with subsoils and clays before being covered with clean subsoil and topsoil. No special concerns

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences buildings about 1/2 mile to the southwest and 1 mile to the east of this location.
Possibility of H2S slight
Size of rig/length of drilling time Triple drilling rig 50 to 60 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: 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 14,468' MD and 13,908' MD Bakken horizontal well test in Richland County

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: April 1, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website
(Name and Agency)
Richland County water wells
(subject discussed)

April 2, 2006
(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____