

Montana Board of Oil and Gas Conservation  
Environmental Assessment

Operator: Stone Energy Corporation  
Well Name/Number: Oscar 1-35H  
Location: SW SW Section 35 T23N R58E  
County: Richland, MT; Field (or Wildcat) W/C

**Air Quality**

(possible concerns)

Long drilling time 50-60 days drilling time

Unusually deep drilling (high horsepower rig) No, triple drilling rig for 3 Legged Bakken horizontal well 15,952' MD 10,377' TVD

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: Gas plant available to take associated gas, no special concerns.

**Water Quality**

(possible concerns)

Salt/oil based mud use freshwater and freshwater mud system on surface, oil based drilling fluids for intermediate string and saltwater for horizontal legs.

High water table no

Surface drainage leads to live water no, closest drainage is an unnamed ephemeral tributary drainage to Lone Tree Creek, about 1/4 mile to the north of this location. This drainage enters Lone Tree Creek about 2 miles to the northeast.

Water well contamination no, all water wells within 1/2 mile of this location are shallower than 1826'.

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: 1826' of surface casing cemented to surface adequate to protect freshwater zones to cover base of Fox Hills formation. Also, fresh water mud systems to be used on surface hole.

**Soils/Vegetation/Land Use**

(possible concerns)

Stream crossings none.

High erosion potential no, small cut, up to 4' and small fill required up to 3.4'.  
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 Large, 285'X400' 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: using existing county roads. Short access off existing county road, approximately 246' of new road into this location. 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. No special concerns

**Health Hazards/Noise**

(possible concerns)

Proximity to public facilities/residences None nearby, buildings 3/8 of a mile to the west of this wellsite. Town of Sidney about 4 miles to the northeast 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, 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 Vaux reservoir 1½ mile to the north and Sportsman's dam 2.5 miles to the north of this location.

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: \_\_\_\_\_

### Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: no concerns

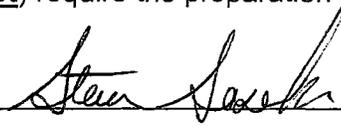
### Remarks or Special Concerns for this site

Well is a 15,952' horizontal Bakken formation test.

### 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: May 15, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Richland County water wells

(subject discussed)

May 15, 2006

(date)

If location was inspected before permit approval:

Inspection date: \_\_\_\_\_

Inspector: \_\_\_\_\_

Others present during inspection: \_\_\_\_\_