

Montana Board of Oil and Gas Conservation  
Environmental Assessment

Operator: Continental Resources, Inc.  
Well Name/Number: Klasna 2-19H  
Location: NE NE Section 19 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 14,962' MD 9678' TVD Leg No. 2 14,571' MD 9724' 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: no special concerns – using triple rig to drill to 14,962' MD & 14,571' 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 North Fork Red Water Creek. Drainage is about 1/2 mile to the south of this location.  
Water well contamination no, all water wells are shallower than surface casing setting depth. Deepest well nearby is 365' in depth. Surface hole will be drilled with freshwater to 1400' 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: 1400' 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 18.0' and moderate fill, up to 11.2', 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 710' of new road will be built off existing oil well road 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 southeast and 1 mile to the southeast 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

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### 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

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### Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: no concerns

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### Remarks or Special Concerns for this site

Well is a 14,962' MD and 14,571' MD Bakken horizontal well test in Richland County

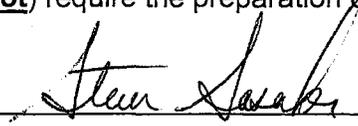
### Summary: Evaluation of Impacts and Cumulative effects

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

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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: June 30, 2006

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Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Richland County water wells

(subject discussed)

June 30, 2006

(date)

If location was inspected before permit approval:

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

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

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