

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION
BOARD OF OIL AND GAS CONSERVATION

BRIAN SCHWEITZER, GOVERNOR

OIL AND GAS CONSERVATION DIVISION



STATE OF MONTANA

December 31, 2007

Mr. Todd Everts
Environmental Quality Council
Room 106, State Capitol
Helena, MT 59620

RECEIVED

JAN 03 2008

LEGISLATIVE ENVIRONMENTAL
POLICY OFFICE

Re: Environmental Assessment Reports

Dear Todd:

Enclosed please find a copy of the environmental assessments completed by this office covering the period from October 1 through December 31, 2007 with regard to applications for permits to drill oil or gas wells on state and privately owned lands in the State of Montana.

Let us know if you require any further information.

Sincerely,

Thomas P. Richmond
Administrator

km

Encs. 150

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

Operator: Oasis Petroleum North America LLC
Well Name/Number: Jacobsen 14-36H
Location: NE NE Section 31 T30N R58E
County: Roosevelt, MT; Field (or Wildcat) Wildcat

Air Quality

(possible concerns)

Long drilling time: No, 30-40 days drilling time.

Unusually deep drilling (high horsepower rig): Triple derrick rig 900 HP Dual Lateral Ratcliffe horizontal well. 13,524'MD/8,955'TVD and 13,652'MD/8,935'TVD.

Possible H2S gas production: Possible

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: Existing pipeline for gas in the area.

Water Quality

(possible concerns)

Salt/oil based mud: Yes, to long string invert mud (oil based) drilling fluids. Surface hole will be drilled with freshwater, and freshwater mud system to be used. Horizontal hole will be drilled with brine water.

High water table: No

Surface drainage leads to live water: No, Shotgun Creek drainage 1/2 mile southeast and 1/8 mile to the north is an unnamed ephemeral drainage that drains north 1 mile to a dry lake bed.

Water well contamination None, closest water wells are over 1 mile distant and are shallower than 1850' surface casing setting depth.

Porous/permeable soils: No, sandy gravelly bentonitic soils

Class I stream drainage: No, Class I stream drainages.

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: 1850' surface casing well below freshwater zones in adjacent water wells. Also, covering Fox Hills aquifer. Adequate surface casing and BOP equipment to prevent problems in and around freshwater slough.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: None.

High erosion potential: No, small cut, up to 7.4' and shallow fill of 4.5, required.

Loss of soil productivity: None, location to be restored, if well is nonproductive. If productive unused

portion of wellsite will be reclaimed.

Unusually large wellsite: No, large well site 290'X370'

Damage to improvements: No, location to be restored after drilling.

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 from existing county road, A short access off an existing county road, about 400' of new access will be built into the location.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Closest residence is 1.2 miles to the northwest of location.

Possibility of H2S slight

Size of rig/length of drilling time: Triple drilling rig 40 to 50 days drilling time.

Mitigation:

- Proper BOP equipment
- Topographic sound barriers
- H2S contingency and/or evacuation plan
- Special equipment/procedures requirements
- Other: _____

Comments: Adequate surface casing cemented to surface with working BOP stack should mitigate any problems.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None identified.

Proximity to recreation sites: None identified

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, Private surface lands.

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: No concerns. 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

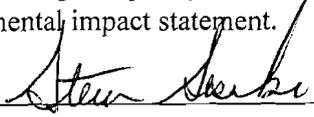
Remarks or Special Concerns for this site

No concerns.

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: September 21, 2007
Other Persons Contacted:

Montana Bureau of Mines and Geology, Groundwater Information Center website

(Name and Agency)
Roosevelt County water wells
(subject discussed)
September 21, 2007
(date)

If location was inspected before permit approval:
Inspection date: _____
Inspector: _____
Others present during inspection: _____

