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

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: G/S Producing
Well Name/Number: Adam 1
Location: SW SW Section 3 T33N R9E
County: Hill, **MT; Field (or Wildcat)** Rudyard

Air Quality

(possible concerns)
Long drilling time: No, 2 to 3 days drilling time.
Unusually deep drilling (high horsepower rig): No, 850' TD
Possible H2S gas production: None
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 850' TD.

Water Quality

(possible concerns)
Salt/oil based mud: No, freshwater and freshwater mud system.
High water table: No
Surface drainage leads to live water: No, closest drainage is an unnamed ephemeral tributary drainage to O'Brien Coulee, about 1/4 of a mile to the east of this location.
Water well contamination: No, no water wells nearby. All water wells within 1//2 mile of this location are less that 80' in depth. Closest water wells are about 1/2 of a mile to the northwest of this location in section 3. Surface hole will be drilled with freshwater and surface casing set to 200' and cemented to surface.
Porous/permeable soils: No, sandy bentonitic soils.
Class I stream drainage: No

Mitigation:
___ Lined reserve pit
_X_ Adequate surface casing
__ Berms/dykes, re-routed drainage
__ Closed mud system
__ Off-site disposal of solids/liquids (in approved facility)
__ Other:
Comments: 200' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings: No crossings.

High erosion potential: No, small cut, up to 2.8' and small fill, up to 0.1', 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, 200'X200' location size required.
Damage to improvements: Slight, surface use is a cultivated field.
Conflict with existing land use/values: Slight, surface use is a cultivated field.

Mitigation
__ Avoid improvements (topographic tolerance)
__ Exception location requested
_X_ Stockpile topsoil
__ Stream Crossing Permit (other agency review)
_X_ Reclaim unused part of wellsite if productive
__ Special construction methods to enhance reclamation
__ Other _____

Comments: Will used existing paved county road, Rudyard road and short two track dirt trail. A short new access road will be built from the short section line dirt road into this location, about ¼ of a mile of new access into this location. No special concerns.

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences: Residences 3/8 of a mile to the northwest and 1/4 mile to the southwest of this location..
Possibility of H2S: None
Size of rig/length of drilling time: Small drilling rig 2 to 3 days drilling time.

Mitigation:
_X_ 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): None identified.
Proximity to recreation sites: None identified.
Creation of new access to wildlife habitat: None identified.
Conflict with game range/refuge management: No
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: Private surface lands. 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 lands. No concerns

Social/Economic

(possible concerns)
__ Substantial effect on tax base
__ Create demand for new governmental services
__ Population increase or relocation
Comments: No concerns. Existing gas field, Rudyard Gas Field.

Remarks or Special Concerns for this site

Well is a 850' Virgelle formation test. A development well in the Rudyard Gas Field.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur, but will be mitigated in time.

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: October 5, 2007

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website.
(Name and Agency)
Hill County water wells.
(subject discussed)
October 5, 2007
(date)

If location was inspected before permit approval:

Inspection date: _____
Inspector: _____
Others present during inspection:_____