

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

**RECEIVED**

JAN 03 2008

LEGISLATIVE ENVIRONMENTAL  
POLICY OFFICE

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,

A handwritten signature in black ink, appearing to read "Thomas P. Richmond".

Thomas P. Richmond  
Administrator

km

Encs. 150

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1625 ELEVENTH AVENUE  
PO BOX 201601  
HELENA, MONTANA 59620-1601  
(406) 444-6675

TECHNICAL AND  
SOUTHERN FIELD OFFICE  
2535 ST. JOHNS AVENUE  
BILLINGS, MONTANA 59102-4693  
(406) 656-0040

NORTHERN FIELD OFFICE  
201 MAIN STREET  
PO BOX 690  
SHELBY, MONTANA 59474-0690  
(406) 434-2422

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

**Operator:** Targe Energy Explortation & Production, LLC

**Well Name/Number:** Stewart No. 10-18

**Location:** NW SE Section 18 T34N R1E

**County:** Toole, MT; **Field (or Wildcat)** Wildcat

**Air Quality**

(possible concerns)

Long drilling time: No, 2 to 3 days drilling time.

Unusually deep drilling (high horsepower rig): No, 800' 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 800' TD

**Water Quality**

(possible concerns)

Salt/oil based mud: No, freshwater and freshwater mud system on surface hole.

Air/mist out from under surface casing.

High water table: No

Surface drainage leads to live water: No, closest drainage is an unnamed ephemeral tributary drainage to Fifteenmile Coulee, about 5/8 of a mile to the northwest from this location. Within this drainage are some small stock ponds.

Water well contamination: No, water wells within 1 mile or further from this location.

This well will drill surface hole with freshwater and set 150' of steel casing, which will be cemented to surface to protect surface waters.

Porous/permeable soils: No, silty sandy bentonitic 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: 150' of surface hole will be drilled with freshwater and surface casing cemented to surface adequate to protect freshwater zones. Also, air/air mist to be used on the mainhole.

**Soils/Vegetation/Land Use**

(possible concerns)

Stream crossings: None, no drainages to be crossed.

High erosion potential: No, small cut, up to 1.7' and no fill, up to 0', 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, 150'X250' location size required.  
Damage to improvements: Slight, on cultivated land, CRP.  
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 over existing county road, Gus Blase road. About 1900' of new access will be built into this location. Drill cuttings will be buried on site. Drilling fluids will be allowed to evaporate. Pit will be backfilled when dry. No special concerns

### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Closest residences is 1 mile to the southwest and 1.25 miles to the west southwest from this location. Old school and cemetery, about 5/8 of a mile to the southeast of this location.

Possibility of H2S: None

Size of rig/length of drilling time: Coil tubing rig 2 to 3 days drilling time

Mitigation:

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

Comments: Working BOP should mitigate any issues. Distance is sufficient to not be a problem with noise. 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: No

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: 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

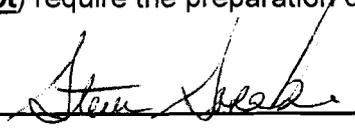
**Remarks or Special Concerns for this site**

Well is a 800' Bow Island Formation test.

**Summary: Evaluation of Impacts and Cumulative effects**

No long term impacts expected from the drilling of this well. Some short term surface 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 15, 2007

Other Persons Contacted:

Montana Bureau of Mines and Geology, Groundwater Information Center website

\_\_\_\_\_  
(Name and Agency)  
Toole County water wells.  
(subject discussed)  
October 15, 2007  
(date)

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