

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
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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: Altamont Oil & Gas, Inc.
Well Name/Number: Vandenbos 19-1
Location: SE NW Section 19 T29N R5W
County: Pondera MT; Field (or Wildcat) Wildcat

Air Quality

(possible concerns)

Long drilling time: No, 3 to 4 days drilling time.
Unusually deep drilling (high horsepower rig): No, 2200' TD.
Possible H2S gas production: No
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 2200' TD.

Water Quality

(possible concerns)

Salt/oil based mud: No, freshwater, freshwater mud system, air, air mist.
High water table: No
Surface drainage leads to live water: Yes, unnamed ephemeral drainage to Lake Frances, about 1/8 of a mile to the southeast of this location. Surface slopes to the northeast towards Lake Frances and is about 1.5 miles from this location.
Water well contamination: No, all water wells within 1 mile are shallower than 200'. Surface casing will be drilled with air and/or freshwater mud to 600' and steel surface casing set and cemented to surface from 600'. Closest water well is about 5/8 of a mile to the northeast and southeast of this wellsite and is 160' in depth.
Porous/permeable soils: Yes, sandy gravelly 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: 600' of surface casing will be set and cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems or air to be used.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: No, stream crossings.

High erosion potential: No, small cut, up to 1.1' and small fill, up to 1.1', 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: No, surface use is cultivated (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, West Hts. road. A short road will be constructed, about 2100' into this location. Drill cuttings will be buried in the unlined cuttings pit. Drilling fluids will be allowed to evaporate in the pits. No special concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Closest residence buildings about 5/8 of a mile to the southwest of this location. Buildings about 3/4 of a mile to the south of this location.

No concerns.

Possibility of H2S: None

Size of rig/length of drilling time: Small drilling rig/short 3 to 4 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): None identified.

Proximity to recreation sites: Lake Frances about 1.5 miles to the northeast.

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

Historical/Cultural/Paleontological

(possible concerns)

Proximity to known sites: None identified, private surface.

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

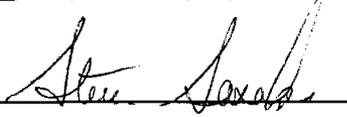
Remarks or Special Concerns for this site

Well is a 2200' Bow Island Formation test.

Summary: Evaluation of Impacts and Cumulative effects

No, significant impacts expected, some short term impacts are expected, but should be able to mitigate these short term impacts.

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 18, 2007

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Pondera County water wells

(subject discussed)

October 18, 2007
(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____