Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Big Snowy Resources, LP
Well Name/Number: Kelly BSR West Mosser #2
Location: NW NW SW Section 26 T3S R24E
County: Yellowstone, **MT; Field (or Wildcat)** Mosser Dome

Air Quality

(possible concerns)
Long drilling time: No, 3 to 4 days drilling time.
Unusually deep drilling (high horsepower rig): No, single derrick drilling rig, 1060' 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:
X 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 1060' TD.

Water Quality

(possible concerns)
Salt/oil based mud: No, freshwater or freshwater mud system and/or air.
High water table: No
Surface drainage leads to live water: No
Water well contamination: No, closest stock water well is ¼ of a mile to the southeast of this location and is only 450' in depth. Mainhole will be drilled with air and/or air/mist. If productive 4 ½" production casing will be cemented to surface.
Porous/permeable soils: No, silty 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: 20' of surface casing cemented to surface adequate to protect freshwater zones. Also, air and/or fresh water mud systems to be used. 4 ½" production casing will be cemented to surface.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings: No, crossings.
High erosion potential: No, no cut and no fill required. Small self leveling drilling rig.

Loss of soil productivity: No, location will be restored after drilling in nonproductive and if productive unused portion of the drillsite will be reclaimed.
Unusually large wellsite: No, 100'X100' location size required.
Damage to improvements: Slight, surface use CRP field.
Conflict with existing land use/values: Slight

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: Surface access will be over existing county roads and will utilize existing well access roads. About ¼ of a mile of new access will be built. Cuttings will be buried in the earthen pit. Fluids will be allowed to evaporate. Pit will be backfilled when dry. No special concerns

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Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences: Yes, within ½ of a mile northeast of this wellsite, Rawhouser home and ranch .
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: Wahinton Rotating control Diverter head Model 3022 Diverter will be used instead of a BOP. This is due to the area being a high drilling density to the Greybull formation and bottom hole pressure being depleted from production. 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. On private land

Social/Economic

(possible concerns)

__ Substantial effect on tax base

__ Create demand for new governmental services

__ Population increase or relocation

Comments: No concerns. Existing oil field, Mosser Domer Oil Field.

Remarks or Special Concerns for this site

Well is a 1060' Greybull Formation test

Summary: Evaluation of Impacts and Cumulative effects

No long term impact expected. Some short term surface impacts will occur, but will be mitigated in time. Development well in an existing oil field, Mosser Dome Field.

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 Steven Sasaki

(title:) Chief Field Inspector

Date: October 25, 2007

Other Persons Contacted:

Montana Bureau of Mines and Gelogy, GWIC website
(Name and Agency)
Water wells in Yellowstone County
(subject discussed)
October 25, 2007
(date)

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