

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

Operator: Altamont Oil & Gas, Inc.
Well Name/Number: Peterson 30-1
Location: NE NE Section 30T29N 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, 2300' 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 2300' 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 3/8 of a mile to the north of this location. Surface slopes to the northeast towards Lake Frances and is about 3 miles from this location. Appears within this drainage there are stock ponds.

Water well contamination: No, all water wells within 1 mile are shallower than 600'.

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 wells are about 1/8 of a mile to the east and 5/8 of a mile to the west of this wellsite.

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 0.8' and small fill, up to 1.8', 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 fields.
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, South Hts. Road. A short road will be constructed, about 1/4 of a mile 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 1/8 of a mile to the east of this location. Buildings about 3/8 of a mile to the west 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 3 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 2300' 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 24, 2007

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Pondera County water wells

(subject discussed)

October 24, 2007
(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____