Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Altamont Oil & Gas, Inc.
Well Name/Number: Jody Field 4-1
Location: NE NE NE, Lot 1 Section 4 T28N R6W
County: Pondera **MT; Field (or Wildcat)** Wildcat

Air Quality

(possible concerns)
Long drilling time: No, 4 to 5 days drilling time.
Unusually deep drilling (high horsepower rig): No, 3450' TD
Possible H2S gas production: Yes
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 3450' 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: No, no drainages nearby. Some pothole ponds nearby.
Water well contamination: No, closest water well is about ¼ of a mile to the southeast of this location and is only 90' in depth. Surface casing will be drilled with air and/or freshwater mud to 650' and steel surface casing set and cemented to surface from 650'. Closest water well is about
Porous/permeable soils: No, sandy gravelly 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: 650' 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 for drilling surface hole.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings: No, stream crossings.

High erosion potential: No, small cut, up to 6.4' and small fill, up to 6.3', 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
_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: Access will be over existing county road, Barrett FLDS. A short road will be constructed, about 300' 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 ¼ of a mile to the east of this location.
Possibility of H2S: Yes
Size of rig/length of drilling time: Small drilling rig/short 4 to 5 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: Lake Frances about 7.5 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: Private surface lands. No concerns

Historical/Cultural/Paleontological

(possible concerns)
Proximity to known sites: None identified, private surface.

Mitigation
__ avoidance (topographic tolerance, location exception)
_X other agency review (SHPO, DSL, federal agencies)
__ Other:_____
Comments: Private surface. 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 3450' Madison 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:_____