

Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: KeeSun Corporation
Well Name/Number: Alme-Gis 2-15
Location: NW NE Section 15 T35N R1W
County: Toole MT; Field (or Wildcat) Wildcat Kevin Sundurst

Air Quality

(possible concerns)

Long drilling time: No, 3 to 4 days drilling time.
Unusually deep drilling (high horsepower rig): No, 1500' TD
Possible H2S gas production: Yes
n/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 1500'

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, closest drainage is Black Coulee, an ephemeral drainage, about 1/8 of a mile to the southwest of this location.
Water well contamination: No water wells within 1 mile of this location.
Porous/permeable soils: No, silty 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: Surface casing casing will be drilled to 200' and cemented to surface. This is adequate to protect freshwater zones. Also, air/air mist and/or fresh water mud systems to be used.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: No, stream crossings.
High erosion potential: No, small cut, up to 2.4' and small fill, up to 2.1', required.
Loss of soil productivity: No, location will be restored after drilling.

(possible
Proximity to
Mitig
— ave

Unusually large wellsite: No, 200'X200' location size required.
Damage to improvements: Slight, surface use is cultivated field.
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: No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Closest residences is 1 mile to the southwest of this location.

Possibility of H2S: Slight

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: 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: Private surface lands. No concerns

Historical/Cultural/Paleontological

(possible concerns)

Known sites: None identified

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 1500' Madison Formation test.

Summary: Evaluation of Impacts and Cumulative effects

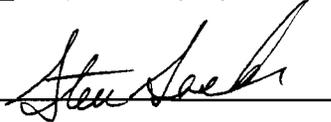
No long term impacts expected, some short term impacts will occur, but can be mitigated.

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: November 6, 2007



Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Toole County water well

(subject discussed)

November 6, 2007

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____