

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

Operator: Fidelity Exploration and Production Company
Well Name/Number: Fee No. 2890
Location: SW SW Section 12 T8N R59E
County: Fallon, MT; **Field (or Wildcat)** Cedar Creek

Air Quality

(possible concerns)

Long drilling time: No, 2 to 3 days drilling time.

Unusually deep drilling (high horsepower rig): No, small single derrick drilling rig to drill to 2000' 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 2000' TD.

Water Quality

(possible concerns)

Salt/oil based mud: No, freshwater and freshwater mud system.

High water table: No

Surface drainage leads to live water: Yes, Pennel Creek, about 1/4 mile to the northwest of this location.

Water well contamination: No, closest water wells are at least 3/4 of a mile to the northeast from this location. Surface casing will be drilled with freshwater. Surface casing will be set to 150' and cemented to surface. Mainhole will be drilled with freshwater mud system. If productive production casing will be run and cemented to surface.

Porous/permeable soils: No, sandy clay 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: 150' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used. Production casing will be cemented to surface.

Soils/Vegetation/Land Use

(possible concerns)

Steam crossings: No

High erosion potential: No, small cut, up to 5.4' and small fill, up to 3.8', required.

Loss of soil productivity: No, location will be restored after drilling, if nonproductive. If productive unused portion of wellsite will be reclaimed.

Unusually large wellsite: No, 120'X190' location size required.

Damage to improvements: Slight

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 roads and existing oil field access roads. About 300' of new access will be built into this location. Cuttings and mud solids will be disposed of in the unlined drilling pits. Drilling fluids will be disposed of in a nearby private stock pond with surface owner approval. Pits will then be allowed to dry and then will be backfilled. No special concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Residences over 1 mile away in any direction from this location.

Possibility of H2S: None

Size of rig/length of drilling time: Small drilling rig/short 2 to 3 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 nearby.

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.

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, private surface.

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: No concerns. A development gas well in an existing gas field, Cedar Creek Gas Field.

Remarks or Special Concerns for this site

Well is a 2000' Eagle Formation test in an existing gas field, Cedar Creek gas field.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur, but can be mitigated in time.

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: December 19, 2007

Other Persons Contacted:

Montana Bureau of Mines and Geology, Groundwater Information Center

(Name and Agency)

Water wells in Fallon County

(subject discussed)

December 19, 2007

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____

01/10/2014

01/10/2014