

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

Operator: Evertson Operation Company, Inc.
Well Name/Number: State 1-36
Location: NE SE Section 36 T24N R51E
County: Richland, MT; **Field (or Wildcat)** W/C

Air Quality

(possible concerns)

Long drilling time: 30-40 days drilling time.

Unusually deep drilling (high horsepower rig): No, triple drilling rig for a vertical 11,010' 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:

Air quality permit (AQB review)

Gas plants/pipelines available for sour gas

Special equipment/procedures requirements

Other: _____

Comments: No special concerns, adequate surface casing 1650' to be set and cemented back to surface with proper BOP stack should mitigate any concerns. Triple rig to drill to 11,010'.

Water Quality

(possible concerns)

Salt/oil based mud: Use freshwater and freshwater mud system on surface and oil based mud system from base of surface casing to TD.

High water table: No

Surface drainage leads to live water: Possible, closest surface drainage is an unnamed ephemeral drainage to the North Fork of Lusk Creek, about 1/8 of a mile to the southwest of this drilling location. Within the drainage there is a stock pond.

Water well contamination: No, closest water well is about 5/8 of a mile to the west of this location. Deepest water well within 1 mile is only 281' in depth, surface casing will be drilled with freshwater, casing set to 1650' and cemented back 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: 1650' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used on surface hole.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings: None.
High erosion potential: No, moderate cut, up to 10.5' and moderate fill, up to 19.5', 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: Large, 400'X300' location size required.
Damage to improvements: Slight, surface use is grassland.
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 well/ranch trails. About 2342' of new access will be built off the existing oil well/ranch road into this location. Invert drilling fluids will be recycled. Reserve pit liquids to be disposed of at Land Tec #201 SWD. Solids will be allowed to dry, pit liner folded over the top of the solids, spoil dirt to fill pit, top soil spread over pit area, and seeded to land owners specification. No special concerns

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences: None within 1 mile of this drillsite.
Possibility of H2S: Yes
Size of rig/length of drilling time: Triple drilling rig 30 to 40 days drilling time

Mitigation:

- Proper BOP equipment
- Topographic sound barriers
- H2S contingency and/or evacuation plan
- Special equipment/procedures requirements
- Other: _____

Comments: No concerns. H2S safety company to setup alarms and train rig employees. Proper BOP stack and surface casing should be able to control any problems that occurs.

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: Montana Trust Lands surface. Trust Lands will do surface EA.

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: Montana Trust Lands surface. Trust Lands will do surface EA.

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 11,010' Winnipeg formation test.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur.

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: February 6, 2008

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website
(Name and Agency)
Richland County water wells
(subject discussed)
February 6, 2008

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____