Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Klabzuba Oil & Gas, Inc.
Well Name/Number: White-Federal 26-2-37-15C
Location: NW NE Section 26 T37N R15E
County: Hill, **MT; Field (or Wildcat)** St. Joe Road

Air Quality

(possible concerns)
Long drilling time: No, 3 to 4 days drilling time.
Unusually deep drilling (high horsepower rig): No, single derrick drilling rig, used to drill to 2700' TD.
Possible H2S gas production: None
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 2700'.

Water Quality

(possible concerns)
Salt/oil based mud: No, freshwater and freshwater mud system.
High water table: No
Surface drainage leads to live water: No, closest drainage is 1/16 mile to the southeast. An unnamed ephemeral drainage to Creedman Coulee.
Water well contamination: None, no water wells within 1/2 mile of this location. Closest water well is about ¾ of a mile to the northwest of this location. Well is a domestic water well, 165' in depth.
Porous/permeable soils: No, silty sandy bentonitic soils.
Class I stream drainage: None

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: 200' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings: No, live stream crossing.
High erosion potential: No, small cut, up to 8.3'and small fill, up to 0.5', 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: No, small well site, 200'X200' location size required.
Damage to improvements: Slight, surface use appears to be cropland.
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 State Highway 233 and existing section line trails. About 1 mile of new access road will be built off the existing two track section line trails into this location. Cuttings and mud solids will be buried in the earthen pits. Drilling fluids will be hauled to a nearby stock pond with surface owner approval. Pit will be backfilled after allowing pit to dry. No special concerns

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences: Closest residence is about ¾ of a mile to the northwest of this location.
Possibility of H2S: None
Size of rig/length of drilling time: Small single derrick drilling rig/short 3 to 4 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): Creedman Coulee National Wildlife Refuge boundary about 5/8 of a mile to the west of this location.
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)

Proximity to 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. Existing gas field, St. Joe Road Gas Field.

Remarks or Special Concerns for this site

Well is a 2700' Second White Specks Formation test. A development well within the St. Joe Road 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: March 6, 2008

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website.

(Name and Agency)
Hill County water wells.
(subject discussed)
March 6, 2008
(date)

If location was inspected before permit approval:
Inspection date: _____
Inspector: _____
Others present during inspection:_____