

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

Operator: Missouri Basin Well Service, Inc.
Well Name/Number: Daniella 1-32H
Location: SE SW Section 32T25N R59E
County: Richland, MT; **Field (or Wildcat)** W/C

Air Quality

(possible concerns)

Long drilling time: No, 30-40 days drilling time. TD 15,522'MD/10,466'TVD and 14,810'MD/10,466'TVD.

Unusually deep drilling (high horsepower rig): No, triple drilling rig for a dual lateral Bakken horizontal well 15,522'MD/10,466'TVD and 14,810'MD/10,466'TVD.

Possible H₂S gas production: Slight

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: Gas plant available to take associated gas. No special concerns.

Water Quality

(possible concerns)

Salt/oil based mud: Use freshwater and freshwater mud system on surface and invert oil based drilling fluids for intermediate string and saltwater for horizontal laterals.

High water table: No

Surface drainage leads to live water: Yes, closest drainage is Third Hay Creek about 1/4 of a mile to the east of this location. Also, stock ponds in this drainage to the southeast of this location.

Water well contamination: No, closest water well is 3/8 of a mile to the east of this location. Most water wells are 1/2 of a mile or further from this location, but wells are only 350' or less in depth. Surface casing hole will be drilled with freshwater and freshwater muds to 1800' and steel surface casing 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: 1800' of surface casing cemented to surface adequate to protect freshwater zones to cover base of Fox Hills formation. Also, fresh water mud systems to be used on surface hole. Oil based invert drilling fluids will be recycled. Reserve pit liquids to be recycled or hauled to a commercial disposal.

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.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: None.

High erosion potential: No, small cut, up to 7.3' and small fill required up to 9.3', 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: Large, 400'X300' location size required.

Damage to improvements: Slight, surface use is a 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: Using existing county road, #201 and county road #351.. Access off existing county road, approximately 794' of new road into this location. Cuttings will be buried in the lined reserve pit. Oil based invert drilling fluids will be recycled. Completion fluids will be hauled to a commercial Class II saltwater disposal for injection. Pit will be backfilled when dry. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Yes, closest residence is about 1/2 mile to the east, 1 mile west and about 1/8 mile to the northwest of this wellsite.

Possibility of H2S: Slight

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, 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: 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

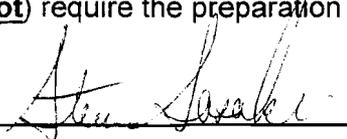
Remarks or Special Concerns for this site

Well is a dual lateral Bakken horizontal well 15,522'MD/10,466'TVD and 14,810'MD/10,466'TVD.

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 28, 2008

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website
(Name and Agency)

Richland County water wells
(subject discussed)
February 28, 2008
(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____