

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

Operator: Devon Energy Production Company, L.P.

Well Name/Number: State No. 29-3

Location: NE NW Lot #1 Section 29 T31N R16E

County: Hill, MT; **Field (or Wildcat)** (Bullhook Unit) Tiger Ridge Field

Air Quality

(possible concerns)

Long drilling time: No, 3 to 4 days drilling time.

Unusually deep drilling (high horsepower rig): No, small single derrick drilling rig. Drill to 2500' TD.

Possible H2S gas production: No, these formations are sweet gas producing.

In/near Class I air quality area: No

Air quality permit for flaring/venting (if productive): Yes, if productive. DEQ air quality permit required.

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 2500 '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: No, closest drainages are an unnamed ephemeral tributary to Bullhook Creek about 1/8 mile to the northeast and an unnamed ephemeral tributary drainage to Beaver Creek, about 1/8 of a mile to the west of this location.

Water well contamination: No, closest water well is over 1 mile away from this well location.

Porous/permeable soils: No, sandy bentonitic soils.

Class I stream drainage: None

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 if run will also be cemented back to surface.

Soils/Vegetation/Land Use

(possible concerns)

Steam crossings: None

High erosion potential: No, small cut, up to 2.0' and small fill, up to 2.0', 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 250'X250' 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. About 3/8 of a mile of new access road will be built into this location. Cutting will be buried in the unlined pits. Drilling fluids will be offsite disposed of in a stock pond for sealant, with surface owner approval. Pits will be allowed to dry before being backfilled. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: About 5/8 of a mile to the east southeast and 3/4 of a mile to the southwest of location.

Possibility of H2S: None

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: Working BOP should mitigate any problems. No concerns.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None identified.

Proximity to recreation sites: Beaver Creek County Park about 1.25 miles to the southwest. Lower Lake 1.75 miles to the southwest.

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: State of Montana, Trust lands. 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: State of Montana, Trust lands. 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: Existing gas field, Tiger Ridge Field. This would be a development well within this gas field. No concerns

Remarks or Special Concerns for this site

Well is a 2500' Eagle Formation development well test within the Tiger Ridge 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 11, 2008

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Hill County water wells.

(subject discussed)

March 11, 2008

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____