Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: KeeSun Corporation
Well Name/Number: Conlin 3-14
Location: NE NW Section 14 T35N R1W
County: Toole **MT; Field (or Wildcat)** Wildcat

Air Quality

(possible concerns)
Long drilling time: No, 3 to 4 days drilling time.
Unusually deep drilling (high horsepower rig): No, 1500' TD
Possible H2S gas production: Yes, 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:
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 1500'

Water Quality

(possible concerns)
Salt/oil based mud: No, freshwater, freshwater mud system, air, air mist.
High water table: No
Surface drainage leads to live water: No, closest drainage is an unnamed ephemeral tributary drainage to Black Coulee, an ephemeral drainage, about 1/8 of a mile to the east of this location. Within this ephemeral drainage are stock ponds.
Water well contamination: No water wells within 1 mile of this location.
Porous/permeable soils: No, silty sandy bentonitic soils.
Class I stream drainage: No

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: Surface hole will be drilled to 200' and surface casing set and cemented to surface. This is adequate to protect freshwater zones. Also, air/air mist and/or fresh water mud systems to be used.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings: No, stream crossings.
High erosion potential: No, small cut, up to 2.2' and small fill, up to 2.3', 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: No, 200'X200' location size required.
Damage to improvements: Slight, surface use is cultivated field.
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 paved county road and existing track trail. About 1/2 of a mile of new access road will be built into this location from the existing two track trail. Cuttings will be disposed of in the unlined drilling pit. Drilling fluids if any will be allowed to evaporate. Pits will be backfilled after allowing pit to dry. No special concerns.

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences: Closest residences is1.3 mile to the southwest of this location.
Possibility of H2S: Slight
Size of rig/length of drilling time: Small 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): 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: 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: Existing shallow gas field, Kevin-Sunburst Gas Field. No concerns

Remarks or Special Concerns for this site

Well is a 1500' Madison Formation test.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected, some short term impacts will occur, but can be mitigated.

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 14, 2008

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Toole County water wells

(subject discussed)

March 14, 2008

(date)

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