

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

Operator: MRC LLC
Well Name/Number: Brown 12-24
Location: NW SW Section 24 T37N R3E
County: Toole MT; Field (or Wildcat) Wildcat (Whitlash)

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 to drill to 2775' TD.

Possible H₂S gas production: No

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 – using small rig to drill to 2775'TD.

Water Quality

(possible concerns)

Salt/oil based mud: No, freshwater, freshwater mud system.

High water table: No

Surface drainage leads to live water: No, closest drainage is an unnamed ephemeral drainage to Trail Creek, also an ephemeral drainage. The location is 1/8 of a mile south of this unnamed ephemeral drainage.

Water well contamination: No, closest water wells is about 1/2 of a mile to the northeast and northwest of this location the depth of these wells vary from 550' to 110' in depth.

Surface hole will be drilled with freshwater and freshwater mud. Steel surface casing will be set from 475' and cemented to surface to protect groundwater.

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: 475' of surface casing cemented to surface adequate to protect freshwater zones. Also, freshwater and fresh water mud systems to be used. 4 1/2" production casing will be cemented to surface, if production is encountered.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: No, stream crossings.

High erosion potential: No, moderate cut, up to 12.0' 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, 150'X150' location size required.

Damage to improvements: Slight, surface 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 road, Strawberry Road and using existing ranch trails. A short access will be built off the existing trail into this location. Drilling muds and solids will be allowed to dry in the pits. Pits will be backfilled when dry. No special concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Brown Ranch is about 1/2 of a mile to the northeast and a residence is about 1 mile to the southwest of this location. The town of Whitlash, MT is about 3.25 miles to the southeast of this 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: No concerns. Working BOP should mitigate any problems.

Distance should mitigate any noise issues.

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: No concerns.

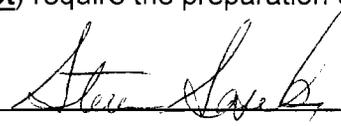
Remarks or Special Concerns for this site

Well is a 2775' TVD Rierdon Formation test.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur, but can be mitigated in a short 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 19, 2008

Other Persons Contacted: _____

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Toole County water wells

(subject discussed)

March 19, 2008

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____