

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

Operator: Decker Operating Company, LLC
Well Name/Number: MRFU 3630-1
Location: Lot 1 NE Section 36 T33N R30E
County: Phillips, MT; **Field (or Wildcat)** Wildcat

Air Quality

(possible concerns)

Long drilling time: No, 2 to 3 days.

Unusually deep drilling (high horsepower rig): No, single derrick drilling rig to drill to 1400' 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 1400 '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: Yes, Milk River, about 1/8 of a mile to the east of this location.

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

Porous/permeable soils: No, sandy silty 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: 150' 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)

Stream crossings: None

High erosion potential: No, small, cut up to 0.4' and a small fill, up to 1.1', 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, large for a small single derrick drilling rig, 300'X300' location size required.

Damage to improvements: Slight, surface use appears to be 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 highway, #191. About 1/8 of a mile of new access will be built from the existing highway #191 into this location. Drilling fluids will be either used to seal private stock ponds with surface owner approval, recycled or allowed to dry in the earthen pit. Mud solids and cuttings will be mixed buried in the earthen pits. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: No, no residences within 1 mile from this location.

Possibility of H2S: No

Size of rig/length of drilling time: Small drilling rig/short 2 to 3 days drilling time.

Mitigation:

- 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): Hiewitt Lake National Wildlife Refuge Boundary, about 5 miles to the southeast of this location.

Proximity to recreation sites: Nelson Reservoir, about 6 miles to the southeast of this location.

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 surface lands. Trust Lands will do a 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 surface lands. Trust Lands will do a surface EA.

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: No concerns.

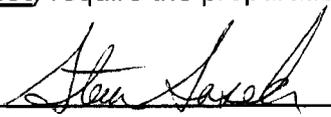
Remarks or Special Concerns for this site

Well is a 1400' Bella Fourche Formation test .

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts are expected.

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: April 11, 2008

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Phillips County water wells

(subject discussed)

April 11, 2008

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____