

Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Noble Energy Inc.
Well Name/Number: Fee No. 0260 No. 5
Location: SE SW Section 2 T36N R30E
County: Phillips, MT; Field (or Wildcat) Loring

Air Quality

(possible concerns)

Long drilling time: No, 2 to 3 days drilling time.

Unusually deep drilling (high horsepower rig): No, small single derrick drilling rig, to drill to 2400' TD.

Possible H2S gas production: None

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 2400' 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, surface drainage does not lead to live water.

Closest drainage is an unnamed ephemeral tributary drainage to Whitewater Creek, close to the southwest edge of this location.

Water well contamination: No, closest water wells are about 5/8 of a mile to the northeast of this location. This proposed well will be drilled with freshwater and freshwater muds. Surface casing will be set and cemented to surface and production casing will be set and cemented to surface.

Porous/permeable soils: No, gravelly 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: 150' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used. Production casing will be cemented to surface.

Soils/Vegetation/Land Use

(possible concerns)

Steam crossings: None.

High erosion potential: No, small cut, up to 2.7' and small fill, up to 4.0', 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, 145'X200' 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: Access will be over existing county roads and existing well access trail. About 350' of new access will be built in this location off an existing access. Drilling fluids will be disposed of in either a private reservoir, with surface owner approval or allowed to dry in the pits. Drill cutting will be buried in the unlined pits. Pits will be backfilled when dry. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: None nearby, the town of Loring, 11 miles to the southwest and the Morgan Port of Entry, about 8 miles to the northwest of this location.

Possibility of H2S: None

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): 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: No Concerns. Private surface lands.

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: This is a development well in an existing gas field, Loring Gas Field.

No concerns

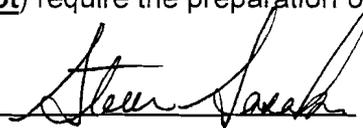
Remarks or Special Concerns for this site

Well is a 2400' Phillips Formation test.

Summary: Evaluation of Impacts and Cumulative effects

No long term impact expected. Some short term surface impacts will occur, but will 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: June 10, 2008

Other Persons Contacted:

Montana Bureau of Mines and Geology, Groundwater Information Center website.

(Name and Agency)

Water wells in Phillips County

(subject discussed)

June 10, 2008

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____