

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

Operator: Citation Oil and Gas Corporation
Well Name/Number: BSU G711H
Location: SE SE section 11 T31N R19E
County: Blaine, MT; **Field (or Wildcat)** Bowes

Air Quality

(possible concerns)

Long drilling time: No, 10 to 15 days drilling time.

Unusually deep drilling (high horsepower rig): No, small single derrick drilling rig to drill a horizontal single lateral Sawtooth Formation well to 3589' TVD 6320'TMD.

Possible H2S gas production: 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:

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 3589' TVD 6320'MD.

Water Quality

(possible concerns)

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

High water table: No

Surface drainage leads to live water: Yes, closest drainage is unnamed ephemeral tributary drainage to Six Mile Coulee, about 1/2 of a mile northeast and northwest of this location, which is a tributary to the Milk River, about 10 miles to the northeast of this location.

Water well contamination: No, no water wells within 1 mile of this location. Surface casing will be drilled to 1000' with freshwater and steel surface casing set and cemented to surface to protect ground waters.

Porous/permeable soils: No, silty sandy bentonitic 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: 1000' 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)

Steam crossings: None, no crossings.

High erosion potential: No, small cut, up to 5.2' and small fill, up to 6.6', 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, 300'X300' location size required.

Damage to improvements: Slight, surface use cultivated field.

Conflict with existing land use/values: Slight, surface use cultivated field.

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 off existing county paved road, Lloyd Road. About 1/8 of a mile of access will be built across cultivated fields into this location. Drilling fluids will be allowed to evaporate in the earthen pits. Cuttings will be allowed to dry in the earthen pits. Pits will be backfilled when dry. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Closest residences are 1/2 of a mile to the northeast, 5/8 of a mile to the northwest and 1 mile to the southeast of this location.

Possibility of H2S: Slight

Size of rig/length of drilling time: Small drilling rig/short 10 to 15 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: No, 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: On private land in cultivated field.

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: Well is a development well within an existing oil field, Bowes Sawtooth field. No concerns.

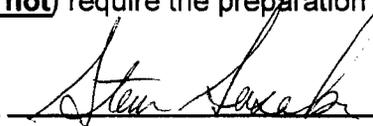
Remarks or Special Concerns for this site

Well is a 3589' TVD 6320'TMD Sawtooth Formation horizontal development well.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur.

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: May 22, 2008

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Water wells Blaine County, MT

(subject discussed)

May 22, 2008

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____