

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

Operator: Tyler Oil Company
Well Name/Number: Grassy Buttes Farms, Inc. Henry 11-26
Location: NE SW Section 26 T35N R3E
County: Toole MT; Field (or Wildcat) Wildcat

Air Quality

(possible concerns)

Long drilling time: No, 10 to 14 days drilling time.

Unusually deep drilling (high horsepower rig): No, small single derrick drilling rig to drill to 4400' TD.

Possible H₂S gas production: Yes possible H₂S.

In/near Class I air quality area: No Class I air quality area.

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 4400'TD.

Water Quality

(possible concerns)

Salt/oil based mud: No, freshwater, freshwater mud and air/mist drilling fluid system.

High water table: No high water table anticipated.

Surface drainage leads to live water: Yes, closest drainage is an unnamed ephemeral drainage to Big Coulee, also an ephemeral drainage. The location is about 1/4 of a mile southeast of this unnamed ephemeral drainage. Within Big Coulee is a stock pond, about 1/2 of a mile to the east of this location.

Water well contamination: No, closest water wells are about 1 mile to the south from this location the depth of these wells vary from 160' to 116' in depth. Surface hole will be drilled with freshwater and freshwater mud. Steel surface casing will be set from 260' 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: 260' of surface casing cemented to surface adequate to protect freshwater zones. Also, air and air/mist and/or freshwater and fresh water mud systems to be used to drill mainhole. 5 1/2" production casing will be cemented to surface, if production is encountered.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: No, stream crossings anticipated.

High erosion potential: No, small cut, up to 3.0' and small fill, up to 2.0', 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, 250'X250' 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, Oilmont Road and using existing ranch access roads. 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: Henry Ranch is about 3/4 of a mile to the south of this location.

Possibility of H2S: Yes possible.

Size of rig/length of drilling time: Small drilling rig/short 10 to 14 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 and adequate surface casing 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: Only threatened or endangered species listed is the Black-footed Ferret.

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: Wildcat well. No concerns.

Remarks or Special Concerns for this site

Well is a wildcat 4400' TD Duperow 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: April 23, 2010 _____

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Toole County water wells

(subject discussed)

April 23, 2010

(date)

US Fish and Wildlife, Region 6 website

(Name and Agency)

ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES

MONTANA COUNTIES, Toole County

(subject discussed)

April 23, 2010

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____