

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

Operator: Somont Oil Company, Inc.
Well Name/Number: State OG-39088-09 No. 59
Location: SW NE Section 36 T35N R2W
County: Toole MT; Field (or Wildcat) Kevin Sunburst

Air Quality

(possible concerns)

Long drilling time: No, 2 to 4 days drilling time.

Unusually deep drilling (high horsepower rig): No, single derrick drilling rig to drill to 1340' TD.

Possible H₂S gas production: None.

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 single derrick drilling rig to drill to 1340' TD.

Water Quality

(possible concerns)

Salt/oil based mud: No, freshwater, freshwater mud system, air, air mist drilling system to be used.

High water table: No high water table anticipated.

Surface drainage leads to live water: No live water nearby. Only depressions nearby are alkali flats with alkaline waters.

Water well contamination: No, no water wells within 1 mile of this location.

Porous/permeable soils: No, silty sandy bentonitic soils.

Class I stream drainage: No Class I stream drainages.

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: 1340' of surface/production casing cemented to surface. No shallow freshwater zones in this area. Also, fresh water air/mist/freshwater mud systems to be used to drill this well.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: No, stream crossings anticipated.

High erosion potential: Small cut, up to 3.4' and small fill, up to 1.3', required.
Loss of soil productivity: No, location will be restored after drilling if nonproductive. If productive unused portion of drill site will be reclaimed.
Unusually large wellsite: No, 200'X200' location size required.
Damage to improvements: Slight, surface use 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 gravel roads and 2 track trails. About 1/16 of a mile of new access road will be built into this location off the exitig 2 track trail. Drilling fluids will be allowed to evaporate in the earthen pits. Cutting will be buried in the earthen pits after drying. No special concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: None nearby. Closest residences are about 3/4 of a mile to the north and northwest from this location.

Possibility of H2S: None.

Size of rig/length of drilling time: Small drilling rig/short 2 to 4 days drilling time.

Mitigation:

- Proper BOP equipment
- Topographic sound barriers
- H2S contingency and/or evacuation plan
- Special equipment/procedures requirements
- Other: BOP requirement waived 36.22.1014 at the request of the operator.

Operator will install a 4 1/2" orbit valve on the 4 1/2" casing prior to drilling into the Swift formation. Swift Formation is very tight sandstone.

Comments: No concerns.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None identified.

Proximity to recreation sites: None

Creation of new access to wildlife habitat: No

Conflict with game range/refuge management: No

Threatened or endangered Species Listed threatened or endangered species in Toole County is the Black Footed Ferret.

Mitigation:

- Avoidance (topographic tolerance/exception)
- Other agency review (DFWP, federal agencies, DSL)
- Screening/fencing of pits, drillsite
- Other: _____

Comments: Surface is private grasslands. 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: Surface is private grasslands. No concerns.

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: No concerns. Existing oil field, Kevin Sunburst Oil & Gas Field.

Remarks or Special Concerns for this site

Well is a 1340' Swift Formation test. A development well in the Kevin Sunburst Oil & Gas Field.

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): /s/ Steven Sasaki

(title:) Chief Field Inspector

Date: June 30, 2010

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Toole County water wells

(subject discussed)

June 30, 2010

(date)

US Fish and Wildlife, Region 6 website

(Name and Agency)

ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES

MONTANA COUNTIES, Toole County

(subject discussed)

June 30, 2010

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____