

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

**Operator:** Continental Resources, Inc.

**Well Name/Number:** Mott 1-16H

**Location:** SW SE Section 16 T26N R54E

**County:** Richland, **MT;** **Field (or Wildcat)** W/C Bakken Horizontal

**Air Quality**

(possible concerns)

Long drilling time: No, 30 to 40 days drilling time.

Unusually deep drilling (high horsepower rig): No, triple derrick drilling rig to drill a single lateral horizontal Bakken Formation well to 24,904' MD/9553' TVD.

Possible H2S gas production: Slight chance of H2S gas production (Mississippian Formations).

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 triple rig to drill a single lateral horizontal Bakken Formation well to 24,904' MD/9553' TVD. If there are existing pipeline for gas in the area then gas must be tied into system or if no gathering system nearby gas can be flared under Board Rule 36.22.1220.

**Water Quality**

(possible concerns)

Salt/oil based mud: Yes, oil based invert drilling mud system will be used on the intermediate casing hole and saltwater for the horizontal lateral hole. Freshwater and freshwater mud system will be used on the surface hole.

High water table: No high water table anticipated.

Surface drainage leads to live water: Yes, closest drainages are unnamed ephemeral tributary drainage to Charley Creek, about 1/4 of a mile to the north northwest and 1/8 of a mile to the southeast from this location.

Water well contamination: No, closest water wells are about 1/2 of a mile to the southeast and about 1 mile to the west from this location. Depth of these water wells range from 60' to 240'. Surface hole will be drilled with freshwater and freshwater drilling fluids to 1517'. Surface casing will be set and cemented from 1517' to surface.

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

Class I stream drainage: No Class I stream drainages in the area of review.

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: 1517' of surface casing cemented to surface adequate to protect freshwater zones and to cover the Fox Hills Formation.

### Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: None anticipated, will utilize existing county road, #323 and a short unnamed ranch road.

High erosion potential: Yes possible high erosion on fill slope, moderate cut, up to 16.6' and moderate fill, up to 11.1' 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, 500'X300' 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: Will use existing county road, #323. A short access of about 2027' will be built into this location off the existing county road, #323. Oil based invert drilling fluids will be recycled. Cuttings and mud solids will be buried in the lined pit after being allowed to dry. Completion fluids will be trucked to a Class II disposal. No special concerns.

### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Closest residences are about 7/8 of a mile to the southeast, about 1 1/8 of a mile to the southeast and about 1 1/4 of a mile to the north northwest and northeast from this location.

Possibility of H2S: Slight chance H2S (Mississippian Formations).

Size of rig/length of drilling time: Triple drilling rig/ 30 to 40 days drilling time.

Mitigation:

- Proper BOP equipment
- Topographic sound barriers
- H2S contingency and/or evacuation plan
- Special equipment/procedures requirements
- Other:

Comments: Adequate surface casing cemented to surface and operational BOP should mitigate any problems. 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: Species identified as threatened by the USFWS are Pallid Sturgeon, Interior Lease Tern, Piping Plover and Whooping Crane. Species listed as candidate species are the Greater Sage Grouse and Sprague's Pipit. NH tracker website for this Township and Range lists only one (1) species of concern as the Eastern Red Bat.

Mitigation:

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

Comments: State Trust Lands surface lands. Trust Lands will do 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 Trust Lands surface lands. Trust Lands will do surface EA..

### Social/Economic

(possible concerns)

- Substantial effect on tax base
- Create demand for new governmental services
- Population increase or relocation

Comments: No concerns

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### Remarks or Special Concerns for this site

Well is a single lateral horizontal Bakken Formation 24,904'MD/9553' TVD.

### Summary: Evaluation of Impacts and Cumulative effects

No long term impact expected, some short term impacts will occur.

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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: February 22, 2012

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

\_\_\_\_\_  
(Name and Agency)

Richland County water wells

\_\_\_\_\_  
(subject discussed)

February 22, 2012

\_\_\_\_\_  
(date)

US Fish and Wildlife, Region 6 website

(Name and Agency)

ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA  
COUNTIES, Richland County

(subject discussed)

February 22, 2012

(date)

Montana Natural Heritage Program Website (FWP)

(Name and Agency)

Heritage State Rank= S1, S2, S3, T26N R54E

(subject discussed)

February 22, 2012

(date)

If location was inspected before permit approval:

Inspection date:

Inspector:

Others present during inspection: