

Montana Board of Oil and Gas Conservation  
Environmental Assessment

Operator: Klabzuba Oil and Gas Inc.  
Well Name/Number: Dusek 29-12-37-16  
Location: NW SW 29 T37N R16E  
County: Hill, MT; Field (or Wildcat) w/c

Air Quality

(possible concerns)

Long drilling time no  
Unusually deep drilling (high horsepower rig) no  
Possible H2S gas production no  
In/near Class I air quality area no  
Air quality permit for flaring/venting (if productive) no

Mitigation:

    Air quality permit (AQB review)  
    Gas plants/pipelines available for sour gas  
    Special equipment/procedures requirements  
    Other: \_\_\_\_\_  
Comments: No special concerns

Water Quality

(possible concerns)

Salt/oil based mud no  
High water table no  
Surface drainage leads to live water no  
Water well contamination no  
Porous/permeable soils no  
Class I stream drainage no

Mitigation:

    Lined reserve pit  
xx Adequate surface casing  
    Berms/dykes, re-routed drainage  
    Closed mud system  
    Off-site disposal of solids/liquids (in approved facility)  
    Other: \_\_\_\_\_  
Comments: Fresh mud - No special concerns - Surface casing OK

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings no  
High erosion potential no  
Loss of soil productivity no  
Unusually large wellsite no  
Damage to improvements no  
Conflict with existing land use/values no

Mitigation

    Avoid improvements (topographic tolerance)  
    Exception location requested  
xx Stockpile topsoil  
    Stream Crossing Permit (other agency review)  
xx Reclaim unused part of wellsite if productive  
    Special construction methods to enhance reclamation  
    Other: \_\_\_\_\_  
Comments: location requires minor dirt work

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences over 1/4 mile  
Possibility of H2S no  
Size of rig/length of drilling time

Mitigation:

xx Proper BOP equipment  
    Topographic sound barriers  
    H2S contingency and/or evacuation plan  
    Special equipment/procedures requirements  
    Other: \_\_\_\_\_  
Comments: no special concerns

**Wildlife/recreation**

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified) none  
Proximity to recreation sites none  
Creation of new access to wildlife habitat no  
Conflict with game range/refuge management no  
Threatened or endangered Species no

Mitigation:

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

Comments: no special concerns

**Historical/Cultural/Paleontological**

(possible concerns)

Proximity to known sites none in area

Mitigation

- avoidance (topographic tolerance, location exception)
- other agency review (SHPO, DSL, federal agencies)
- Other: \_\_\_\_\_

Comments: no sites identified - location on private

**Social/Economic**

(possible concerns)

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

Comments: no concerns

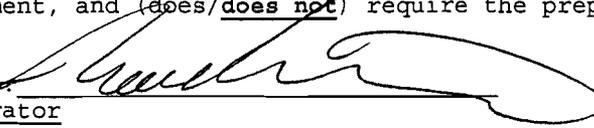
**Remarks or Special Concerns for this site**

Well is a 2600' Judith River/Eagle/Niobrara test.

**Summary: Evaluation of Impacts and Cumulative effects**

Impacts are minor and short term.

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):   
(title:) Administrator  
Date: April 20, 2004  
Other Persons Contacted:

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

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

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

If location was inspected before permit approval:

Inspection date: \_\_\_\_\_

Inspector: \_\_\_\_\_

Others present during inspection: \_\_\_\_\_