

Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Klabzuba Oil and Gas Inc.
Well Name/Number: State 36-2-34-16
Location: NW NE 36 T34N 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 (AOB 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
 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
 Stockpile topsoil
 Stream Crossing Permit (other agency review)
 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:
 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 State

Social/Economic

(possible concerns)

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

Comments: no concerns

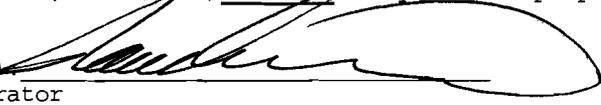
Remarks or Special Concerns for this site

Well is a 2600' Judith River/Eagle/Niobrara test. Docket 151-2004

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: June 22, 2004

Other Persons Contacted:

(Name and Agency)

(subject discussed)

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____