Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Encore Operating L.P.
Well Name/Number: Stehman 1-20
Location: NE SE Section 34 T34N R12E
County: Hill, **MT; Field (or Wildcat)** W/C

Air Quality

(possible concerns)
Long drilling time no, 4 to 5 days drilling time.
Unusually deep drilling (high horsepower rig) no, 2280' TD
Possible H2S gas production no
n/near Class I air quality area no
Air quality permit for flaring/venting (if productive) n/a

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 2280' TD

Water Quality

(possible concerns)
Salt/oil based mud no, freshwater, freshwater mud system.
High water table no
Surface drainage leads to live water no, ephmeral drainage to the south ½ mile
Water well contamination no
Porous/permeable soils no, bentonite soils
Class I stream drainage no

Mitigation:
_ Lined reserve pit
_X_ Adequate surface casing
__ Berms/dykes, re-routed drainage
__ Closed mud system
__ Off-site disposal of solids/liquids (in approved facility)
__ Other:

Comments: 150' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud system, air or air/mist to be used.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings none
High erosion potential no, small cut and fill required.
Loss of soil productivity no, location will be restored after drilling
Unusually large wellsite no, 200'X200' location size required.
Damage to improvements no
Conflict with existing land use/values Slight

Mitigation
__ Avoid improvements (topographic tolerance)
__ Exception location requested
_X_ Stockpile topsoil
__ Stream Crossing Permit (other agency review)
_X_Reclaim unused part of wellsite if productive
__ Special construction methods to enhance reclamation
__ Other _____

Comments: _____no special concerns_____

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences _None nearby_____
Possibility of H2S none_____
Size of rig/length of drilling time _Small drilling rig/short 4 to 5 days drilling time_

Mitigation:
_X_Proper BOP equipment
__ Topographic sound barriers
__ H2S contingency and/or evacuation plan
__ Special equipment/procedures requirements
__ Other:_____

Comments: _____no concerns_____

Wildlife/recreation

(possible concerns)
Proximity to sensitive wildlife areas (DFWP identified) n/a_None identified._
Proximity to recreation sites ___no_____
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 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: _____on private land

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 2280' Mowry Formation test

Summary: Evaluation of Impacts and Cumulative effects

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: September 3, 2004 _____

Other Persons Contacted:

_____
_____
(Name and Agency)

_____
(subject discussed)

_____
(date)

If location was inspected before permit approval:
Inspection date: _____
Inspector: _____
Others present during inspection:_____