Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Petro Hunt, LLC
Well Name/Number: BR 23C-2-1
Location: NW SW Section 23 T22N R53E
County: Richland, **MT; Field (or Wildcat)** W/C

Air Quality

(possible concerns)
Long drilling time 30-40 days drilling time
Unusually deep drilling (high horsepower rig) No, triple drilling rig for 11,500' TD
Possible H2S gas production yes
n/near Class I air quality area no
Air quality permit for flaring/venting (if productive) DEQ air quality permit if well is productive.

Mitigation:
__ Air quality permit (AQB review)
X Gas plants/pipelines available for sour gas
__ Special equipment/procedures requirements
__ Other:
Comments: no special concerns, adequate surface casing 2000' to be set and cemented back to surface with proper BOP stack should mitigate any concerns. Triple rig to drill to 11,500'.

Water Quality

(possible concerns)
Salt/oil based mud use freshwater and freshwater mud system on surface.and saltwater mud to TD.
High water table no
Surface drainage leads to live water no, nearest live water is a stock pond about 1 mile to the north of this location.
Water well contamination no, all water wells over ½ mile away and depth of water wells are 200' or less.
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
X Off-site disposal of solids/liquids (in approved facility)
__ Other:
Comments: 2000' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used to drill surface hole. Reserve pit liquids to be disposed of at Lambert Saltwater disposal. Solids will be allowed to dry, pit liner folded over the top of the solids, spoil dirt to fill pit, top soil spread over pit area, and seeded to land owners specification.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings none.
High erosion potential no, moderate cut, up to 20' and small fill, up to 7.9'. required.
Loss of soil productivity no, location will be restored after drilling if nonproductive. If productive unused portion of the drillsite will be restored.
Unusually large wellsite Large, 400'X350' 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: Access will be over existing state highway #20 and existing two track trail. About1/4 mile of new access road will be built into this location. Reserve pit liquids to be disposed of at Lambert Saltwater disposal. Solids will be allowed to dry, pit liner folded over the top of the solids, spoil dirt to fill pit, top soil spread over pit area, and seeded to land owners specification. No special concerns

_____

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences No, residence for over 1 mile in any direction. The town of Enid is about 5 miles to the northeast of this location.
Possibility of H2S yes
Size of rig/length of drilling time Triple drilling rig 30 to 40 days drilling time

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

Comments: no concerns, residences over a mile away from wellsite. H2S safety company to setup alarms and train rig employees. Proper BOP stack and surface casing should be able to control any problems that occurs.

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 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

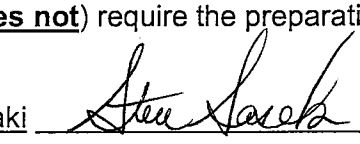
Remarks or Special Concerns for this site

__Well is a 11,500' Red River formation test

Summary: Evaluation of Impacts and Cumulative effects

__No long term impacts expected. Some short term impacts will occur, but will be mitigated in time.

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: February 8, 2006

Other Persons Contacted:
__Matt, FWP-Miles City_____
__Montana Bureau of Mines and Geology, GWIC website_____
(Name and Agency)

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Water wells in Richland County, GWIC
(subject discussed)
January 27, 2006 GWIC
(date)

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