

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

**Operator:** Fidelity Exploration and Production Company  
**Well Name/Number:** Fee - BR No. 2662  
**Location:** SE SE Section 19 T4N R62E  
**County:** Fallon, MT; **Field (or Wildcat)** Cedar Creek

**Air Quality**

(possible concerns)  
Long drilling time no, 3 to 4 days drilling time.  
Unusually deep drilling (high horsepower rig) no, 2000' TD  
Possible H2S gas production no  
In/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 2000'

**Water Quality**

(possible concerns)  
Salt/oil based mud no, freshwater and freshwater mud system.  
High water table no  
Surface drainage leads to live water yes, stock pond about 1/8 of a mile to the southwest of this location.  
Water well contamination No, closest water well is about 1/2 mile to the northwest of this location. The well as recorded on the GWIC website has no stated depth. Surface and production casing if run will be cemented to surface.  
Porous/permeable soils no, bentonite soils  
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: 150' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used. Surface and production casing will be cemented to surface.

**Soils/Vegetation/Land Use**

(possible concerns)  
Steam crossings no  
High erosion potential no, small cut, up to 6.4' and no fill 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, 120'X190' location size required.

Damage to improvements slight

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: Access will use existing county gravel roads and existing well access roads. A short access road will be built off an existing well access into location. Cuttings will be disposed of in the unlined pits. Drilling fluids will either be recycled or trucked to a nearby private stock pond for sealant and/or allowed to dry in the pit. Pits will be backfilled. No special concerns

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#### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences Residence buildings 1 mile to the northwest and south and 1.5 miles to the northeast in North Dakota from this location.

Possibility of H2S none

Size of rig/length of drilling time Small drilling rig/short 3 to 4 days drilling time

Mitigation:

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

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**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

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**Social/Economic**

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: Well is a development well in an existing gas field, Cedar Creek. No concerns.

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**Remarks or Special Concerns for this site**

Well is a 2000' Eagle Formation test.

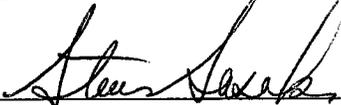
**Summary: Evaluation of Impacts and Cumulative effects**

No long term impacts expected. Some short term impacts will occur, but can be mitigated in time

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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): Steven Sasaki 

(title:) Chief Field Inspector

Date: March 9, 2006

Other Persons Contacted:  
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Montana Bureau of Mines and Geology, Groundwater Information Center

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

Water wells in Fallon County

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

March 9, 2006

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

If location was inspected before permit approval:

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

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

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