Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Montana Land and Exploration, Inc.
Well Name/Number: ML&E SW Cherry Patch State 1-36
Location: SE NE Section 36 T33N R21E
County: Blaine, **MT; Field (or Wildcat)** Wildcat

Air Quality

(possible concerns)
Long drilling time no, 2 to 3 days drilling time
Unusually deep drilling (high horsepower rig) no, 1426' TD
Possible H2S gas production no
In/near Class I air quality area no
Air quality permit for flaring/venting (if productive) Yes, DEQ air quality permit required under rule 75-2-211.

Mitigation:
X 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 1426' TD

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, closest water is the Fort Belknap Canal just south of the drilling location. This canal flows water during the irrigation season, warm months
Water well contamination No, nearest well is 3/8 of a mile to the southeast of this location and is 130' deep..
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' surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used. If production is established production casing will be cemented to surface.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings no
High erosion potential no, small cut, up to 1.1' and small fill, up to 1.6', 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, 200'X200' location size required.
Damage to improvements slight
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 highways and existing two track road. About ¼ of a mile of access road will be built into this location. Cuttings will be buried in the unlined reserve pit. Drilling fluids will be land spread with surface owner approval or recycled to the next drilling location. Pit will be backfilled when dry. No special concerns.

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences Nearest residence is about 3/8 of a mile to the southeast of this location.
Possibility of H2S none
Size of rig/length of drilling time Small drilling rig/short 2 to 3 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. Distance is sufficient to not be a problem with noise. Burlington Northern railroad tracks must be crossed to access this location.

Wildlife/recreation

(possible concerns)
Proximity to sensitive wildlife areas (DFWP identified) n/a 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)
X Other agency review (DFWP, federal agencies, DSL)
__ Screening/fencing of pits, drillsite
__ Other: _____

Comments: State of Montana Trust Lands Trust Lands will do surface EA.

Historical/Cultural/Paleontological

(possible concerns)

Proximity to known sites __None identified_____

Mitigation

__ avoidance (topographic tolerance, location exception)

_X other agency review (SHPO, DSL, federal agencies)

__ Other:_____

Comments: _State of Montana Trust Lands Trust Lands will do surface EA.

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 1426' Eagle Formation of test

Summary: Evaluation of Impacts and Cumulative effects

_No long term impacts expected from the drilling of this well. 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: April 3, 2006

Other Persons Contacted:

_____

_____

(Name and Agency)

Montana Bureau of Mines and Geology, Groundwater Information Center website, Blaine County water wells.

(subject discussed)

April 3, 2006

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____
Others present during inspection:_____