

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

**Operator:** Enerplus Resources (USA) Corporation  
**Well Name/Number:** Peanut-Danielson No. 15-14-H  
**Location:** SE SW Section 15 T24 R57E  
**County:** Richland, MT; **Field (or Wildcat)** Wildcat

**Air Quality**

(possible concerns)

Long drilling time No, 30-40 days drilling time.

Unusually deep drilling (high horsepower rig) Triple derrick rig 900 HP, Bakken horizontal MD 19,896'

Possible H2S gas production slight

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:

Air quality permit (AQB review)

Gas plants/pipelines available for sour gas

Special equipment/procedures requirements

Other: \_\_\_\_\_

Comments: Existing pipeline for gas in the area.

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**Water Quality**

(possible concerns)

Salt/oil based mud yes to long string salt based and oil based drilling fluids. Surface casing hole to be drilled with freshwater and freshwater mud.

High water table No

Surface drainage leads to live water No, closest drainage is a ephemeral tributary drainage North Fork of Lone Tree Creek, about 1/8 mile to the east of this location..

Water well contamination No, all water wells close by are shallower than 1900'.

Porous/permeable soils No, gumbo soils

Class I stream drainage No, Class I stream drainages.

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: 1900'+/- surface casing well below freshwater zones in adjacent water wells. Also, covering Fox Hills aquifer. Adequate surface casing and BOP equipment to prevent problems in and around freshwater slough.

**Soils/Vegetation/Land Use**

(possible concerns)

Stream crossings None

High erosion potential No, location has a small cut of up to 5.7' and small fill of up to 4.5', required.

Loss of soil productivity None, location to be restored after drilling well, if nonproductive. If productive unused portion of drillsite will be reclaimed.

Unusually large wellsite No, large well site 420'X310'

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 be over existing county roads. A short access road off the county road into location will be constructed, about 87'. Oil based muds will be recycled or hauled to a commercial disposal, cuttings will be disposed of in a lined pit. Pit will be solidified with subsoil in the lined pit and clean cover and top soil put over the solidified pit contents.

### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences closest residence is 3/4 of a mile to the west and 1 mile to the southwest from this location.

Possibility of H2S Slight

Size of rig/length of drilling time Triple drilling rig 30 to 40 days drilling time.

Mitigation:

Proper BOP equipment

Topographic sound barriers

H2S contingency and/or evacuation plan

Special equipment/procedures requirements

Other: \_\_\_\_\_

Comments: Adequate surface casing cemented to surface with working BOP stack should mitigate any problems. Distance sufficient to mitigate noise.

### 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)

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: Private surface

**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**

Second well in this spacing unit.

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

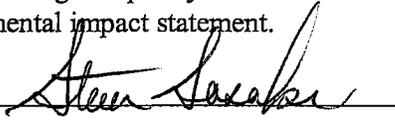
TVD 10,456' MD 14,901' Bakken Formation horizontal well

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 4, 2006



Other Persons Contacted:

(Name and Agency)

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

(subject discussed)

April 4, 2006

(date)

If location was inspected before permit approval:

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

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

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