

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

**Operator:** Fidelity Exploration and Production Company  
**Well Name/Number:** State No. 2669  
**Location:** NE NE Section 36 T8N R59E  
**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) Yes, DEQ air quality permit required under 75-2-211.

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 None  
Water well contamination no, closest water well is at least 1 mile distant in any direction.  
Surface casing will be drilled with freshwater. Surface casing will be set to 150' and cemented to surface. Mainhole will be drilled with freshwater mud system. If productive production casing will be run and 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. Production casing will be cemented to surface.

**Soils/Vegetation/Land Use**

(possible concerns)

Stream crossings no  
High erosion potential no, small cut, up to 8.3' and small fill, up to 4.5', required.

Loss of soil productivity no, location will be restored after drilling, if nonproductive. If productive unused portion of wellsite 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 be over existing county roads and existing well trails. A short access will be built into this location off the well trail. Cuttings and mud solids will be disposed of in the unlined drilling pits. Drilling fluids will be disposed of in a nearby private stock pond with surface owner approval. Pits will then be allowed to dry and then will be backfilled. No special concerns

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### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences Yes, closest residence about 1 mile to the south of this location. Bonnievale Cemetery about 2 miles to the south. The town of Baker, Montana 2.75 miles to the south.

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: Montana Trust Lands surface. Trust Lands will do surface EA

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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: Montana Trust Lands surface. 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 A development gas well in an existing gas field, Cedar Creek Gas Field.

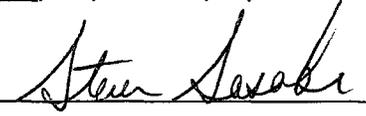
### Remarks or Special Concerns for this site

Well is a 2000' Eagle Formation test in an existing gas field, Cedar Creek gas field.

### Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur, but can 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 18, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, Groundwater Information Center

(Name and Agency)

Water wells in Fallon County

(subject discussed)

April 18, 2006

(date)

If location was inspected before permit approval:

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

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

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