

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

Operator: MRC LLC
Well Name/Number: SASU 23
Location: NE SE Section 23T37N R2E
County: Toole MT; Field (or Wildcat) Fred and George Creek

Air Quality

(possible concerns)

Long drilling time no, 4 to 5 days drilling time.
Unusually deep drilling (high horsepower rig) no, 2775' TVD
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 2775' TVD

Water Quality

(possible concerns)

Salt/oil based mud no, freshwater, freshwater mud system.
High water table no
Surface drainage leads to live water None
Water well contamination no, surface casing set at 500, well below nearest freshwater wells. Production casing 5 1/2" will be cemented to surface from 2775' TVD. All listed water wells are at least 1 mile away from this location.
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: 500' of surface casing cemented to surface adequate to protect freshwater zones. Fresh water mud systems to be used.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings no, stream crossings
High erosion potential no, small cut, up to 1.4' and moderate fill, up to 13.5', 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, surface is grassland.
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: no special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences None nearby, closest ranch is 1.5 miles to the south.

Possibility of H2S none

Size of rig/length of drilling time Small drilling rig/short 4 to 5 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

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 lands.

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: Development well in an existing oil field. No concerns

Remarks or Special Concerns for this site

Well is a 2775' TVD Sunburst "A" Formation test

Summary: Evaluation of Impacts and Cumulative effects

Small impacts expected no long term impacts expected .

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 28, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Toole County water wells

(subject discussed)

April 28, 2006

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____