

Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Continental Resources, Inc.
Well Name/Number: Carda 2-28H
Location: SE 8th Section 28 T25N R53E
County: Richland, MT; Field (or Wildcat) W/C (Bakken Horizontal)

Air Quality

(possible concerns)
Long drilling time no, 50 to 60 days drilling time.
Unusually deep drilling (high horsepower rig) no, 15,182' MD, 9,718' TVD and 14,707' MD, 9,569' TVD
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 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 triple rig to drill to 15,182' MD and 14,707' MD – 2 laterals

Water Quality

(possible concerns)
Salt/oil based mud yes, freshwater and freshwater mud system on surface hole and oil based saltwater mud system on mainhole. Saltwater for horizontal sections.
High water table No based upon topographic map.
Surface drainage leads to live water no, location above an ephemeral tributary to West Charlie Creek. the drainage is north and east of this location. Possible stock pond in drainage about 3/8 of a mile to the northeast of the location.
Water well contamination no, deepest water well nearby is 355' in depth or less.
Surface hole will be drilled with freshwater and freshwater muds. Surface casing will be cemented to surface from a depth of 1300'.
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: 1300' of surface casing cemented to surface adequate to protect freshwater zones. Remote reserve pit and closed mud system required.

Soils/Vegetation/Land Use

(possible concerns)

Steam crossings no, crossing.
High erosion potential no, small cut, up to 4.3' and moderate fill, up to 15.8', 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, 500'X270' 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 roads. Well access road will be used for part of the way into location. About 60' of new constructed road will be built into this location off the existing county road.. Drill cuttings will be disposed of in the lined reserve pit. Drilling fluids will be trucked to a commercial Class II disposal. Pit will be backfilled after remaining fluids have evaporated. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences 1.25 miles to the northeast and southeast. 1 mile to the southwest are residences.
Possibility of H2S slight
Size of rig/length of drilling time Triple drilling rig/short 50 to 60 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 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

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

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: no concerns

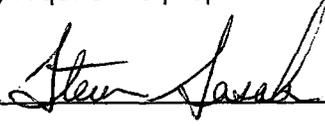
Remarks or Special Concerns for this site

Well is a 9,718'TVD, 15,182' and 9,569' TVD, 14,707' MD, 2 legged Bakken Formation test

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term surface impacts will occur.

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: May 4, 2006

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Richland County water wells
(subject discussed)
May 4, 2006
(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____