

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

Operator: EOG Resources, Inc.
Well Name/Number: Diamond 1-36
Location: C NW Section 36 T29N R56E
County: Roosevelt, MT; Field (or Wildcat) Wildcat

Air Quality

(possible concerns)

Long drilling time No, 20-30 days drilling time.
Unusually deep drilling (high horsepower rig) Triple derrick rig 900 HP
Possible H2S gas production yes
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 gas pipelines in the area.

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, surface drainages nearby.
Water well contamination No, nearby water wells are all less than 300' depth. Surface casing will be set to 1,526' and cemented to surface.
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: 1,526' 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)

Steam crossings None
High erosion potential No, requires a small cut, up to 8.9' and small fill, up to 1.0', 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 400'X300'

Damage to improvements No, location to be restored after drilling, if nonproductive.

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 county roads and existing two track trails. A short access road of about 4993' will be constructed off county road. This includes upgrading of section line trail off the county road.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences residences 3/4 mile to the east and about 1 mile to the southeast of this location.

Possibility of H2S Slight

Size of rig/length of drilling time Triple drilling rig 20 to 30 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. Noise should not be a problems, sufficient distance from residence to rig should mitigate this.

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: Montana Trust Lands will do EA. Private surface and Trust Lands minerals

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 State of Montana Trust Lands minerals.

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

Nisku formation test

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected from the drilling of this well. Some short term impacts will be apparent.

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 8, 2006

Other Persons Contacted:

(Name and Agency)

Montana Bureau of Mines and Geology, Groundwater Information Center website.

(subject discussed)

Water wells in Roosevelt County

(date)

May 8, 2006

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____