

Montana Board of Oil and Gas Conservation
Environmental Assessment

Operator: Noble Energy Inc.
Well Name/Number: Fee 2606 No. 2
Location: NW NE Section 26 T30N R36E
County: Valley, MT; Field (or Wildcat) Vandalia

Air Quality

(possible concerns)
Long drilling time no, 3 to 4 days drilling time.
Unusually deep drilling (high horsepower rig) no, 2400' 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 2400'

Water Quality

(possible concerns)
Salt/oil based mud no, freshwater and freshwater mud system.
High water table No
Surface drainage leads to live water no, closest drainage is Buffalo Coulee ephemeral drainage, about 1/16 of a mile south of this location.
Water well contamination no, closest water well lies about a 1/4 of a mile to the southwest of this location, but is only 110' in depth. Closest water well below 150', surface casing depth is about 3/8 of a mile to the north of 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: 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)
Steam crossings none.
High erosion potential no, small cut, up to 2.4' and small fill, up to 1.9', 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, 140'X200' 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, Valleyview county road. About 1/8 of a mile of new access will be built into this location off the county road. Drilling fluids will be disposed of in a private stock pond of Mr. Bill Kuki or allowed to dry in the drilling and reserve pits. Pits will be restored after they are allowed to dry. No special concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences Closest residence is about 3/8 of a mile north of this location.

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 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

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: _____

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: no concerns

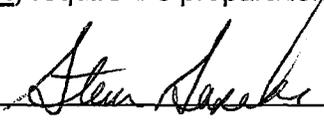
Remarks or Special Concerns for this site

Well is a 2400' Phillips Formation test.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts expected. The drilling of this well is within the Vandalia gas field.

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: June 12, 2006

Other Persons Contacted:

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

(Name and Agency)

Water wells in Valley County

(subject discussed)

June 12, 2006

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____