

Montana Board of Oil and Gas Conservation  
Environmental Assessment

Operator: Klabzuba Oil & Gas, Inc.  
Well Name/Number: Golie-Federal 24-8-30-15B  
Location: SE NE Section 24 T30N R15E  
County: Hill, MT; Field (or Wildcat) Tiger Ridge

**Air Quality**

(possible concerns)

Long drilling time no, 4 to 5 days drilling time  
Unusually deep drilling (high horsepower rig) no, 2700' 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 2700'

**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 unnamed ephemeral tributary drainage to Beaver Creek, is about 1/2 mile to the east of this location.  
Water well contamination no, nearest water wells over 1 mile from this location. In the event this well is successful 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: 200' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used.

**Soils/Vegetation/Land Use**

(possible concerns)

Stream crossings no  
High erosion potential no, large cut, up to 31.2' and small fill, up to 8.7', 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  
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 to location will be over existing county gravel roads and existing two track trails. A short 1/2 mile of new access will be built into this location. Drilling fluids will be trucked to a private stock pond for sealant with surface owner approval. Solids will be allowed to dry in the pits. Pit after drying will be backfilled. No special concerns.

**Health Hazards/Noise**

(possible concerns)

Proximity to public facilities/residences None nearby. Closest residence is 1 mile to the west of this location.

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 Beaver Creek County Park boundary is 2 miles east of this location.

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: Development well in the Tiger Ridge gas field. No concerns

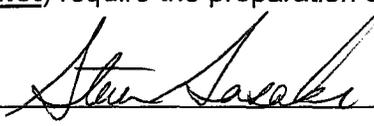
**Remarks or Special Concerns for this site**

Well is a 2700' Second White Specks Formation test

**Summary: Evaluation of Impacts and Cumulative effects**

No long term impacts expected. Some short term 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: June 20, 2006

Other Persons Contacted:

(Name and Agency)

Montana Bureau of Mines and Geology Groundwater Information Center

(subject discussed)

Water wells in Hill County,

June 20, 2006

(date)

If location was inspected before permit approval:

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

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

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