

DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION  
BOARD OF OIL AND GAS CONSERVATION

BRIAN SCHWEITZER, GOVERNOR

OIL AND GAS CONSERVATION DIVISION



STATE OF MONTANA

December 31, 2007

**RECEIVED**

JAN 03 2008

LEGISLATIVE ENVIRONMENTAL  
POLICY OFFICE

Mr. Todd Everts  
Environmental Quality Council  
Room 106, State Capitol  
Helena, MT 59620

Re: Environmental Assessment Reports

Dear Todd:

Enclosed please find a copy of the environmental assessments completed by this office covering the period from October 1 through December 31, 2007 with regard to applications for permits to drill oil or gas wells on state and privately owned lands in the State of Montana.

Let us know if you require any further information.

Sincerely,

Thomas P. Richmond  
Administrator

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Encs. 150

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(406) 444-6675

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BILLINGS, MONTANA 59102-4693  
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201 MAIN STREET  
PO BOX 690  
SHELBY, MONTANA 59474-0690  
(406) 434-2422

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

**Operator:** Fidelity Exploration and Production Company

**Well Name/Number:** Fee 2905

**Location:** SE NE Section 24 T5N R60E

**County:** Fallon, MT; **Field (or Wildcat)** Cedar Creek

**Air Quality**

(possible concerns)

Long drilling time: No, 2 to 3 days drilling time.

Unusually deep drilling (high horsepower rig): No, 2000' TD

Possible H<sub>2</sub>S 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 2000'.

**Water Quality**

(possible concerns)

Salt/oil based mud: No, freshwater and freshwater mud system.

High water table: No

Surface drainage leads to live water: Yes, Little Beaver Creek, about 1/8 of a mile to the north of this location.

Water well contamination: None, closest water well is about 3/4 of a mile to the east of this location and is a stockwater well, 41' deep. Surface casing on this well will be set to 150'. Surface hole will be drilled with freshwater.

Porous/permeable soils: No, sandy bentonitic 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)

Stream crossings: None

High erosion potential: No, small cut, up to 2.7' and no fill, 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, 120'X190' location size required.

Damage to improvements: Slight, surface use is grazing land.

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: Using existing county roads. Building about 1/8 of a mile of new access into this location. Cuttings will be buried in the earthen drilling and reserve pits. Drilling fluids will be hauled to a nearby stock pond for disposal with surface owner approval or allowed to dry in the pits. Drilling pits will be allowed to dry before being backfilled. No special concerns.

### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Nearest residence is 1.25 mile to the northeast of this location.

Possibility of H2S: None

Size of rig/length of drilling time: Small drilling rig/short 2 to 3 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): 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: Private surface lands. No concerns

**Historical/Cultural/Paleontological**

(possible concerns)

Proximity to known sites: None identified

Mitigation

   avoidance (topographic tolerance, location exception)

  X other agency review (SHPO, DSL, federal agencies)

   Other: \_\_\_\_\_

Comments: Private surface lands. No concerns

**Social/Economic**

(possible concerns)

   Substantial effect on tax base

   Create demand for new governmental services

   Population increase or relocation

Comments: No concerns. A development well within an existing gas field, Cedar Creek Gas Field.

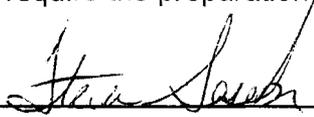
**Remarks or Special Concerns for this site**

Well is a 2000' Eagle Formation test. A development well in the Cedar Creek gas field.

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

No long term impacts expected. Some short term impacts will occur. This well is being drilled in an existing gas field, Cedar Creek 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: September 29, 2007

Other Persons Contacted:

Montana Bureau of Mines and Geology, Groundwater Information Center

(Name and Agency)

Water wells in Fallon County

(subject discussed)

September 29, 2007

(date)

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If location was inspected before permit approval:

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

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

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