

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,

A handwritten signature in black ink, appearing to read "T. Richmond".

Thomas P. Richmond  
Administrator

km

Encs. 150

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1625 ELEVENTH AVENUE  
PO BOX 201601  
HELENA, MONTANA 59620-1601  
(406) 444-6675

TECHNICAL AND  
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2535 ST. JOHNS AVENUE  
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(406) 656-0040

NORTHERN FIELD OFFICE  
201 MAIN STREET  
PO BOX 690  
SHELBY, MONTANA 59474-0690  
(406) 434-2422

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

Operator: Noble Energy, Inc.  
Well Name/Number: Fee 0562 No. 3  
Location: NW NW Section 5 T36N R32E  
County: Phillips, MT; Field (or Wildcat) East Loring

**Air Quality**

(possible concerns)

Long drilling time: No, 2 to 3 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' TD.

**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, surface drainage does not lead to live water, Closest drainage is East Fork Whitewater Creek an ephemeral drainage, just off the west side of this location.  
Water well contamination: No, closest water wells are about 1/4 of a mile to the southeast of this location. The wells are less than 120' in depth. This well will drill surface hole with freshwater and cement steel surface casing in from 150'.  
Porous/permeable soils: No, sandy clay 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: No, no crossing.

High erosion potential: No, small cut, up to 3.9' and small fill, up to 0.5', 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, 130'X180' location size required.  
Damage to improvements: Slight, surface use at location is equipment storage area, which is adjacent to an irrigated field.  
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 and existing ranch roads, Anderson Ranch. About 85' of new access will be built from existing Anderson Ranch road in to this location. Drilling fluids will be disposed of in a reservoir of Brent Anderson or allowed to dry in the pits. Cuttings and mud solids will be buried in the earthen pit. Pit will be backfilled when dry. No special concerns

### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Ranch about 1/4 of a mile to the southeast of this location. The town of Whitewater, 12 miles to the southwest 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 chance of H2S. Distance from rig to residence sufficient for noise not to be a concern.

### 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: None identified.

Mitigation:

- Avoidance (topographic tolerance/exception)
- Other agency review (DFWP, federal agencies, DSL)
- Screening/fencing of pits, drillsite
- Other: \_\_\_\_\_

**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 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 Development well in an existing gas field, East Loring Field.

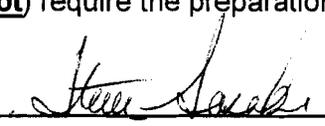
**Remarks or Special Concerns for this site**

Well is a 2400' Phillips Formation test. Development well in an existing gas field, Loring Field.

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

No long term impact expected. Some short term surface impacts will occur, but will be mitigated in time. Wells are in an existing gas field, East Loring 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: October 19, 2007

Other Persons Contacted:

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

(Name and Agency)

Water wells in Phillips County

(subject discussed)

October 19, 2007  
(date)

If location was inspected before permit approval:

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

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

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