

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

**Operator:** Fidelity Exploration and Production Company  
**Well Name/Number:** Fee No. 2896  
**Location:** SW NW Section 32 T8N 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, unnamed ephemeral tributary drainage to Sandstone Creek, about 1/8 of a mile to the west from this location. Within this ephemeral drainage is a stock pond.  
Water well contamination: No, closest water well is at least 1 mile distant in any direction. Production casing will be cemented to surface.  
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)

Steam crossings: No

High erosion potential: No, small cut, up to 1.6' and no fill, up to 0.0,' 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: Access will be over existing county roads and existing well access

trails. About 1/2 of a mile of new access will be built into this location. Cuttings and mud solids will be disposed of in the unlined drilling pits. Drilling fluids will be disposed of in a nearby private stock pond with surface owner approval or allowed to evaporate. Pits will then be allowed to dry and then will be backfilled. No special concerns

### Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: None nearby. Closest buildings 3/8 mile to the east and 1/2 mile to the south of this location. Bonnievale cemetery is 1.75 miles to the southwest. The town of Baker, Montana is about 2.5 miles to the southwest from 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: Baker Lake, about 2.5 miles to the southwest of this location.

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: \_\_\_\_\_

Comments: On private surface lands. No concerns

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### 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 lands. No concerns.

### Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: Well is a development well in an existing gas field, Cedar Creek.

No concerns.

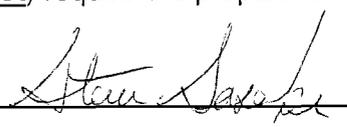
### Remarks or Special Concerns for this site

Well is a 2000' Eagle Formation test.

### Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur, but can be mitigated in time

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: January 2, 2008

Other Persons Contacted:

\_\_\_\_\_  
Montana Bureau of Mines and Geology, Groundwater Information Center

\_\_\_\_\_  
(Name and Agency)

Water wells in Fallon County

\_\_\_\_\_  
(subject discussed)

January 2, 2008

\_\_\_\_\_  
(date)

If location was inspected before permit approval:

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

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

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