

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

Operator: Somont Oil Company, Inc.
Well Name/Number: State No. 60
Location: NE NE Section 36 T35N R2W
County: Toole MT; Field (or Wildcat) Kevin Sunburst

Air Quality

(possible concerns)

Long drilling time: No, 2 to 4 days drilling time.
Unusually deep drilling (high horsepower rig): No, single derrick drilling rig to drill to 1360' TD, Swift Formation.
Possible H2S gas production: None.
In/near Class I air quality area: No Class I air quality area.
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 single derrick drilling rig to drill to 1360'TD.

Water Quality

(possible concerns)

Salt/oil based mud: No, freshwater, freshwater mud system, air, air mist drilling system to be used.
High water table: No high water table anticipated.
Surface drainage leads to live water: No live water nearby. Only depressions nearby are alkali flats with alkaline waters.
Water well contamination: No, no water wells within 1 mile of this location.
Porous/permeable soils: No, silty sandy bentonitic soils.
Class I stream drainage: No Class I stream drainages.

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: 1360' of surface/production casing cemented to surface. No shallow freshwater zones in this area. Also, fresh water air/mist/freshwater mud systems to be used to drill this well.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: No, stream crossings anticipated.

High erosion potential: Small cut, up to 1.8' and small fill, up to 1.3', required.
Loss of soil productivity: No, location will be restored after drilling if nonproductive. If productive unused portion of drill site will be reclaimed.
Unusually large wellsite: No, 200'X200' location size required.
Damage to improvements: Slight, surface use is grassland.
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 gravel roads and 2 track trails. About 1/8 of a mile of new access road will be built into this location from the existing State well #56. Drilling fluids will be allowed to evaporate in the earthen pits. Cutting will be buried in the earthen pits after drying. No special concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: None nearby. Closest residences are about 3/4 of a mile to the northwest and about 1 mile to the west northwest from this location.

Possibility of H2S: None.

Size of rig/length of drilling time: Small drilling rig/short 2 to 4 days drilling time.

Mitigation:

- Proper BOP equipment
- Topographic sound barriers
- H2S contingency and/or evacuation plan
- Special equipment/procedures requirements
- Other: BOP requirement waived 36.22.1014 at the request of the operator.

Operator will install a 4 1/2" orbit valve on the 4 1/2" casing prior to drilling into the Swift formation. Swift Formation is a very tight sandstone.

Comments: No concerns.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None identified.

Proximity to recreation sites: None

Creation of new access to wildlife habitat: No

Conflict with game range/refuge management: No

Threatened or endangered Species Listed threatened or endangered species in Toole County is the Black Footed Ferret. Listed candidate species is the Greater Sage Grouse. NH Tracker website lists five (5) species of concern: Hoary Bat, Ferruginous Hawk, Chestnut Collared Longspur, McCown's Longspur and Brewer's Sparrow.

Mitigation:

- Avoidance (topographic tolerance/exception)
- Other agency review (DFWP, federal agencies, DSL)

Screening/fencing of pits, drillsite

Other: _____

Comments: Surface is State of Montana grasslands. Montana Trust Lands will do surface EA.

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: Surface is State of Montana grasslands. Montana Trust Lands will do surface EA.

Social/Economic

(possible concerns)

Substantial effect on tax base

Create demand for new governmental services

Population increase or relocation

Comments: No concerns. An existing oil field, Kevin Sunburst Oil & Gas Field.

Remarks or Special Concerns for this site

Well is a 1360' Swift Formation test. A development well in the Kevin Sunburst Oil & Gas Field.

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): /s/ Steven Sasaki

(title:) Chief Field Inspector

Date: May 3, 2012

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website

(Name and Agency)

Toole County water wells

(subject discussed)

May 3, 2012

(date)

US Fish and Wildlife, Region 6 website

(Name and Agency)

ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES

MONTANA COUNTIES, Toole County

(subject discussed)

May 3, 2012

(date)

Montana Natural Heritage Program Website (FWP)

(Name and Agency)

Heritage State Rank= S1, S2, S3, T35N R2W

(subject discussed)

May 3, 2012

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____