

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

Operator: Whiting Oil and Gas Corporation
Well Name/Number: Kittleson 24-8TFH
Location: SE SW Section 8 T25N R58E
County: Richland, MT; Field (or Wildcat) W/C (Three Forks Horizontal)

Air Quality

(possible concerns)

Long drilling time: No, 30 to 40 days drilling time.

Unusually deep drilling (high horsepower rig): No, triple derrick drilling rig to drill a single lateral Three Forks Formation well, 19,665'MD/10,445'TVD.

Possible H2S gas production: Yes possible H2S gas, slight chance.

In/near Class I air quality area: No Class I air quality area.

Air quality permit for flaring/venting (if productive) Yes, DEQ permit if productive and if there are no gas lines in the area and gas will have to be flared.

Mitigation:

- Air quality permit (AQB review)
- Gas plants/pipelines available for sour gas
- Special equipment/procedures requirements
- Other: _____

Comments: No special concerns – using triple derrick drilling rig to drill a single lateral Three Forks Formation well, 19,665'MD/10,445'TVD.

Water Quality

(possible concerns)

Salt/oil based mud: Yes, oil based invert mud system will be used for drilling the mainhole and saltwater for drilling the horizontal lateral. Freshwater and freshwater mud system will be used for drilling the surface hole.

High water table: No, no high water table anticipated.

Surface drainage leads to live water: Yes, nearest drainage is an unnamed ephemeral tributary drainage to Fourmile Creek, about 1/16 of a mile to the east from this location. Within Fourmile Creek there are stock ponds.

Water well contamination: None, closest water wells are about 1/2 of a mile to the east, about 5/8 of a mile to the northeast, about 3/4 of a mile to the southeast, about 3/4 of a mile to the south southeast, about 7/8 of a mile to the south southeast from this location.

Depth of these water wells range from 25' to 290'. Surface hole will be drilled with freshwater and freshwater mud to 2000'. Steel surface casing will be run and cemented from 2000'.

Porous/permeable soils: No, variable sandy clay soils.

Class I stream drainage: No Class I stream drainages in the area of review.

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: 2000' of surface casing cemented to surface adequate to protect freshwater zones and will cover the base of the Fox Hills Formation.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: No, stream crossings anticipated.

High erosion potential: No, moderate cut, up to 23.0' and moderate fill, up to 22.1', required.

Loss of soil productivity: None, location to be restored after drilling well, if well is nonproductive. If productive unused portion of drillsite will be reclaimed.

Unusually large wellsite: No, a large location, 440'X400' location size required.

Damage to improvements: Slight, surface use is a grass 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: Access to location will be over existing county road, #140. A short access of 957' will be built off the county road into this location. Oil based invert drilling fluids will be recycled. Completion fluids will be hauled to North Dakota to be used on other wells or hauled to a Class II Disposal. Drilling cuttings and mud solids will be fly ashed in the lined pit and buried with subsoil cover. No special concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Residences, none within a 1 mile radius from this location

Possibility of H2S: Slight possibility of H2S.

Size of rig/length of drilling time: Triple drilling rig/short 30 to 40 days drilling time

Mitigation:

Proper BOP equipment

Topographic sound barriers

H2S contingency and/or evacuation plan

Special equipment/procedures requirements

Other: _____

Comments: Adequate surface casing and operational BOP equipment should mitigate any problems. 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: Species identified as threatened or endangered are the Pallid Sturgeon, Interior Lease Tern, Whooping Crane and Piping Plover. Candidate species are the Greater Sage Grouse and the Sprague's Pipit. MTFWP Natural Heritage Tracker website indicates one (1) species of concern is Whooping Crane.

Mitigation:

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

Comments: Private surface lands. There maybe species of concern that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to what he would like done, if a species of concern is discovered at this location. The Board of Oil & Gas has no jurisdiction over private surface lands.

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. There maybe possible historical/cultural/paleontological sites that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to his desires to preserve these sites or not, if they are found during construction of the wellsite. The Board of Oil & Gas has no jurisdiction over private surface lands.

Social/Economic

(possible concerns)

- Substantial effect on tax base
- Create demand for new governmental services
- Population increase or relocation

Comments: Wildcat well, no concerns.

Remarks or Special Concerns for this site

To drill a wildcat single lateral horizontal Three Forks Formation well test, 19,665'MD/10,445'TVD.

Summary: Evaluation of Impacts and Cumulative effects

No significant 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: January 10, 2012

Other Persons Contacted:

Montana Bureau of Mines and Geology, GWIC website
(Name and Agency)
Water wells in Richland County
(subject discussed)
January 10, 2012
(date)

US Fish and Wildlife, Region 6 website
(Name and Agency)
ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES
MONTANA COUNTIES, Richland County
(subject discussed)
January 10, 2012
(date)

Montana Natural Heritage Program Website (FWP)
(Name and Agency)
Heritage State Rank= S1, S2, S3, T25N R58E
(subject discussed)
January 10, 2012
(date)

If location was inspected before permit approval:
Inspection date: _____
Inspector: _____
Others present during inspection: _____