

CHECKLIST ENVIRONMENTAL ASSESMENT

Proposed Action: Approve Drilling Permit (Form 22)

Project/Well Name: Siewing #2

Operator: Wesco Operating, Inc.

Location: SE SW Sec. 1, T32N, R32E

County: Phillips **MT; Field (or Wildcat):** Wildcat

Proposed Project Date: May 1, 2018

I. DESCRIPTION OF ACTION

Wesco Operating, Inc. plans to drill a re-entry of the Siewing #2. It was originally drilled and plugged in 2002. The re-entry will be drilled with 3% potassium chloride water. Surface casing is set at 227'. The TD of this re-entry is 3,200' in the Firemoon Formation.

II. AGENCIES REFERENCED

Montana Bureau of Mines and Geology, GWIC website (Phillips County Wells).

US Fish and Wildlife, Region 6 website

ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA COUNTIES, Phillips County

Montana Natural Heritage Program Website (FWP)

Heritage State Rank= S1, S2, S3, T32N R32E

Montana Cadastral Website

Surface Ownership and surface use Section 1 T32N R32E

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

1. AIR QUALITY

Long drilling time: No
Unusually deep drilling (high horsepower rig): No

Possible H2S gas production: No H2S anticipated.
In/near Class I air quality area: No Class I air quality area in the area of review
Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under 75-2-211. AQB review.

Comments: No special concerns – using small rig to drill a re-entry to 3,200' TD.

2. WATER QUALITY

Salt/oil based mud: Yes, 3% KCL.
High water table: No, high water table at this well location.
Surface drainage leads to live water: No, the Milk River is located about 4/5 of a mile to the south from this location.

Water well contamination: No water wells within a ½ mile radius.

Porous/permeable soils: Slightly, sandy loam.
Class I stream drainage: No.
Groundwater vulnerability area: 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)

Comments: Steel surface casing is cemented to surface to protect ground water. (Rule 36.22.1001).

3. SOILS/VEGETATION/LAND USE

Stream crossings: None anticipated
High erosion potential: No. No cuts or fills anticipated.

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 (Describe dimensions): No, existing 200' X 240' location.

Damage to improvements: Slight, surface use is grassland.

Conflict with existing land use/values:

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

Access Road: Access road of 0.6 miles off of Milk River Road.

Drilling fluids/solids: There will be no pit.

4. HEALTH HAZARDS/NOISE

Proximity to public facilities/residences: Closest residence is 4/5 of a mile to the south. The town of Malta is located about 20 miles to the southwest.

Possibility of H2S: No H2S anticipated.

Size of rig/length of drilling time: Single derrick drilling rig, 5 days drilling time.

Mitigation:

Proper BOP equipment

Topographic sound barriers

H2S contingency and/or evacuation plan

Special equipment/procedures requirements

Other:

5. WILDLIFE/RECREATION

Sage Grouse: In general habitat. Sage Grouse Program received.

Proximity to sensitive wildlife areas (DFWP identified): Cree Crossing Wildlife Management Area is located about 1/2 of a mile to the south, the Nelson Reservoir is located 1.7 miles to the south, the Hewitt Lake National Wildlife Refuge is located 1.5 miles to the southwest from location, and the Milk River - Sleeping Buffalo Wildlife Management Area is located about 2 miles to the southeast.

Proximity to recreation sites: None.

Creation of new access to wildlife habitat: No

Conflict with game range/refuge management: No

Threatened or endangered Species: The species listed as threatened or endangered in Phillips County are the Red Knot, Interior Least Tern, Whooping Crane, Black-footed Ferret, Piping

Plover, and Pallid Sturgeon. The Montana Natural Heritage Program (MTNHP) lists sixteen (16) species of concern: Black-tailed Prairie Dog, Hoary Bat, Little Brown Myotis, Baird's Sparrow, Great Blue Heron, Burrowing Owl, Greater Sage-Grouse, Piping Plover, Caspian Tern, Red-headed Woodpecker, Long-billed Curlew, Common Tern, Northern Redbelly Dace, Iowa Darter, Northern Pearl Dace, and Sauger.

Mitigation:

- Avoidance (topographic tolerance/exception)
- Other agency review (DFWP, federal agencies, DNRC Trust Lands, **MT SGHCP**)
- Screening/fencing of pits, drill site
- Other:

Comments: Private cultivated surface lands. There may be 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. No concerns.

6. HISTORICAL/CULTURAL/PALEONTOLOGICAL

Proximity to known sites:

Mitigation

- avoidance (topographic tolerance, location exception)
- other agency review (SHPO, DNRC Trust Lands, federal agencies)

Other:

7. SOCIAL/ECONOMIC

Substantial effect on tax base

- Create demand for new governmental services
- Population increase or relocation

Comments: No concerns.

IV. SUMMARY

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

EA Checklist	Name: John Gizicki	Date: 03/06/18
Prepared By:	Title: Compliance Specialist	