Montana Board of Oil and Gas Conservation
Environmental Assessment

Proposed Action: Approve Drilling Permit (Form 22)
Operator: Synergy Offshore LLC
Well Name/Number: NECBSU X703B
Location: Lot 3 Section 3 T34N R6W
County: Glacier **, MT; Field (or Wildcat) (**Northeast Cut Bank Sand Unit)

Air Quality

(possible concerns)
Long drilling time: 5 to 10 days drilling time
Unusually deep drilling (high horsepower rig): No, single derrick drilling rig to drill a 3,100'TVD Cut Bank Formation well.
Possible H2S gas production: Yes, H2S gas production possible.
In/near Class I air quality area: Yes, Class I air quality area, Blackfeet Reservation.
Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under 75-2-211.

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

Comments: Single derrick drilling rig to drill a 3,100'TVD in the Cut Bank Formation.

Water Quality

(possible concerns)
Salt/oil based mud: Use freshwater and freshwater mud system.
High water table: None anticipated.
Surface drainage leads to live water: No, closest drainage is Rocky Coulee, about 2/5 of a mile to the northwest.
Water well contamination: No, closest water well is 1/4 of a mile to the northwest at 205' and 1/5 of a mile to the southeast at 175'. All other wells are over ½ of a mile from this location. Surface casing hole set 550'.
Porous/permeable soils: No, sandy clay soils.
Class I stream drainage: Class I stream drainage is Cut Bank Creek, about 3.4 miles to the southeast from this location.

Mitigation:
___ Lined reserve pit
_X_ Adequate surface casing
__ Berms/dykes, re-routed drainage
__ Closed mud system
_X_ Off-site disposal of solids/**liquids** (in approved facility)
__ Other: _____

Comments: 550' of surface casing cemented to surface.

Soils/Vegetation/Land Use

(possible concerns)
Steam crossings: None will utilize existing road crossings.
High erosion potential: No. Location requires a small cut of 2.6' and a small fill of 0.8'.

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, 200'X200' location.
Damage to improvements: Slight, surface use is a cultivated field.
Conflict with existing land use/values: Slight

Mitigation
__ Avoid improvements (topographic tolerance)
__ Exception location requested
_ Stockpile topsoil
__ Stream Crossing Permit (other agency review)
X Reclaim unused part of wellsite if productive
__ Special construction methods to enhance reclamation
__ Other _____

Comments: Using existing county road, Winkler School Road, about 1/10 of a mile of new road will be built into location. Drilling fluids and completion fluids will be disposed of at an approved disposal facility. Water based cuttings will be tilled and the pits will be closed. _____

Health Hazards/Noise

(possible concerns)
Proximity to public facilities/residences: Closest residences are about 1/2 of a mile to the northeast from this location. The town of Cutback, MT is located about 7 miles to the southeast from this location. Blackfeet reservation is located just west of location.
Possibility of H2S: Yes possible H2S.
Size of rig/length of drilling time: single drilling rig 5 to 10 days drilling time.

Mitigation:
X Proper BOP equipment
__ Topographic sound barriers
__ H2S contingency and/or evacuation plan
__ Special equipment/procedures requirements
__ Other:_____

Comments: No concerns, proper BOP stack and surface casing should be able to control any problems that occur.

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 endanger in Glacier County are Grizzly Bear, Canada Lynx and Bull Trout. Candidate species are the Meltwater Lednian Stonefly, Sprague's Pipit, and Whitebark Pine. NH tracker website lists no (0) species of concern.

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

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 cultivated surface lands. There may be 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: _Well is being drilled in an existing oil field, Cut Bank Oil & Gas Field.

Remarks or Special Concerns for this site

Well is a 3,100'TVD into the Cut Bank Formation

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\ John Gizicki_____

(title:) _Compliance Specialist_____

Date: _September 10, 2015_____

Other Persons Contacted:

_____

_Montana Bureau of Mines and Geology, GWIC website_____

(Name and Agency)

_Glacier County water wells_____

(subject discussed)

September 10, 2015
(date)

US Fish and Wildlife, Region 6 website
(Name and Agency)
ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES
MONTANA COUNTIES, Glacier County
(subject discussed)

September 10, 2015
(date)

Montana Natural Heritage Program Website
(Name and Agency)
Heritage State Rank= S1, S2, S3 T34N R6W
(subject discussed)

September 10, 2015
(date)

Montana Cadastral Website
(Name and Agency)
Surface Ownership and surface use Section 03 T34N R06W
(subject discussed)

September 10, 2015
(date)

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