

## CHECKLIST ENVIRONMENTAL ASSESSMENT

**Proposed Action:** Approve Drilling Permit (Form 22)

**Project/Well Name:** Inez 1

**Operator:** Hereford Resources, LLC

**Location:** T33N R9E Section 11

**County:** Hill County, MT

**Field (or Wildcat):** Wildcat

**Proposed Project Date:** 6/12/2025

### I. DESCRIPTION OF ACTION

Treasure State Drilling rig #5 drill to 6,500' depth.

### II. PROJECT DEVELOPMENT

#### 1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS, OR INDIVIDUALS CONTACTED

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

US Fish and Wildlife, Region 6 website

ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA COUNTIES, Hill County, MT

Montana Natural Heritage Program Website (FWP)

Heritage State Rank= S1, S2, S3, T33N R9E

Montana Cadastral Website

Surface Ownership and surface use Section 11 T33N R9E

Montana Department of Natural Resources MEPA Submittal

Montana Sage Grouse Habitat Conservation Program

USDA Web Soil Survey Map Website

#### 2. ALTERNATIVES CONSIDERED

No Action Alternative: Permit to drill the well would not be issued by BOGC.

Action Alternative: Hereford Resources, LLC permit to drill would be referred to the BOGC for further environmental review.

### III. IMPACTS ON THE PHYSICAL ENVIRONMENT

#### 3. AIR QUALITY

Long drilling time: No, 10-20 days.

Unusually deep drilling (high horsepower rig): No

Possible H<sub>2</sub>S gas production: Slight, low concentrations

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. AQB review.

Comments: No special concerns – Treasure State Drilling rig #5 drill to 6,500' depth.

If there are no gas gathering systems nearby, associated gas can be flared under Board Rule 36.22.1220.

#### 4. WATER QUALITY

Salt/oil based mud: Surface casing hole will be drilled with freshwater and freshwater mud system, Rule 36.22.1001

High water table: No.

Surface drainage leads to live water: Drainage is an oil ephemeral drainage about 100' to the West that has a confluence with O'Brien Coulee to the north 1.5 miles.

Water well contamination: No water well within ½ miles of location.

Porous/permeable soils: Fine Loam.

Class I stream drainage: None.

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)

Other:

Comments: Steel surface casing will be run and cemented to surface to protect ground water. (Rule 36.22.1001).

Comments: Surface hole will be drilled with a freshwater mud system to 625' cemented to surface. Steel surface casing will be run to 6,500' and cemented back to surface. Adequate surface casing and BOP equipment to prevent problems, (3,000 BOP, Rule 36.22.1014.)

#### 5. SOILS/VEGETATION/LAND USE

Vegetation: Tilled cropland.

Soils: Fine Loam

Stream crossings: None anticipated.

High erosion potential: No, no fill with largest cut 1.8' with 4.6' fill..

Loss of soil productivity: No, location will be restored after drilling if unproductive.

Small wellsite (Describe dimensions): 300'x 300'.

Damage to improvements: Slight, surface use appears sage brush and grass lands.

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

Access Road: Established county road 40N a new access of approximately 1320' built into location.

Drilling fluids/solids: Hereford Resources, LLC will be utilizing a lined pit for cuttings. Drilling fluids and solids to be dried and buried on location in earthen pit.

## **6. HEALTH HAZARDS/NOISE**

Proximity to public facilities/residences: No occupied structures within a 1/4-mile radius. Closest occupied structure is 1.5 miles to northwest of location. Location is approximately 4.5 miles North of Rudyard, MT.

Possibility of H2S: Possibility in Mississippian formations.

Size of rig/length of drilling time: 10-20 days.

Mitigation:

- ☒ Proper BOP equipment
- ☐ Topographic sound barriers
- ☐ H2S contingency and/or evacuation plan
- ☐ Special equipment/procedures requirements
- ☐ Other:

## **7. WILDLIFE/RECREATION**

Sage Grouse: No

Proximity to sensitive wildlife areas (DFWP identified): No.

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 Hill County, MT by USFWS: Grizzly Bear, Chestnut-collared Longspur, Greater Sage-Grouse, Plains Hog-nosed Snake, Northern Pearl Dace, and Sauger.

Mitigation:

- ☐ Avoidance (topographic tolerance/exception)
- ☐ Other agency review (DFWP, federal agencies, DNRC Trust Lands)
- ☐ Screening/fencing of pits, drillsite
- ☐ Other:

Comments: Private Cropland. 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 outside of sage grouse general habitat in Hill County Montana. No concerns.

#### IV. IMPACTS ON THE HUMAN POPULATION

##### 8. HISTORICAL/CULTURAL/PALEONTOLOGICAL

Proximity to known sites:

Mitigation

☐ avoidance (topographic tolerance, location exception)

☐ other agency review (SHPO, DNRC Trust Lands, federal agencies)

Other: The Board of Oil & Gas has no jurisdiction over private surface lands.

##### 9. 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  
Prepared By:**

**Name:** Ben Davis

**Date:** 6/9/2025

**Title:** Technical Program Coordinator