

CHECKLIST ENVIRONMENTAL ASSESSMENT

Proposed Action: Approve Drilling Permit (Form 22)

Project/Well Name: Candee 21X-6

Operator: White Rock Oil and Gas, LLC

State: Montana

Location: NWNE Section 6 T24N R53E

County: Richland

Field (or Wildcat): Wildcat

Proposed Project Date: 5/22/2025

I. DESCRIPTION OF ACTION

Triple derrick drilling rig to drill a single lateral horizontal Bakken Formation test, 24,954' MD/9,169' TVD.

II. PROJECT DEVELOPMENT

A. PUBLIC INVOLVEMENT, AGENCIES, GROUPS, OR INDIVIDUALS CONTACTED

10 day from public notification opportunity to protest for hearing:

Published in Helena Independent Record on 5/3/2025.

Published in The Roundup on 5/3/2025.

No written demand for hearing has been filed per ARM 36.22.601 as of 5/13/2025.

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

US Fish and Wildlife, ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES
MONTANA COUNTIES, Richland County

Montana Natural Heritage Program Website (FWP)

Heritage State Rank= S1, S2, S3, T25 R54E

Montana Cadastral Website

Surface Ownership and surface use Section 34 T25N R54E

Montana Department of Natural Resources MEPA Submittal

USDA Web Soil Survey Map Website

B. ALTERNATIVES CONSIDERED

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

Action Alternative: Referred to the BOGC for further environmental review.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

A. AIR QUALITY

Long drilling time: No, 5-10 days.

Unusually deep drilling (high horsepower rig): No

Emission sources: Vehicles traveling on county road to location, combustion engines on location during drilling operations.

Fugitive dust from traveling operations and location during active drilling.

Possible H₂S gas production: Potentially in Mississippian formations.

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 – Triple derrick drilling rig to drill a single lateral horizontal Bakken Formation test, 24,954' MD/9,169' TVD. If there are no gas gathering systems nearby, associated gas can be flared under Board Rule 36.22.1220.

B. WATER QUALITY

Salt/oil-based mud: Surface casing hole will be drilled with freshwater and freshwater mud system, Rule 36.22.100.1. Will drill with oil-based invert drilling fluids for the intermediate casing hole. Horizontal wellbore will be drilled with saltwater.

High water table: No.

Surface drainage leads to live water: An unnamed ephemeral drainage to southwest of well site location about 1800' leads to Horse Creek Drainage which is also categorized as ephemeral. An unnamed ephemeral drainage to northeast of well site location about 850' leads to Horse Creek Drainage which is also categorized as ephemeral.

Water well contamination: 2 water wells within ½ mile. Dorothy Freeman well is approximately 300' south of location with depth of 150' and static water level of 25' and is categorized as a stockwater well. Candee Alfred well is approximately 2300' east of location with depth of 178', no static water level, and well is categorized as stockwater unused.

Porous/permeable soils: Silty clay loam soils.

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: Surface hole will be drilled with a freshwater mud system to 1200'. Steel surface casing will be run to 1200' and cemented back to surface to protect freshwater zones in adjacent water wells, Rule 36.22.100.1. Also, covering Fox Hills aquifer. Adequate surface casing and BOP equipment to prevent problems, (5,000 psi annular and double ram), Rule 36.22.1014.)

C. SOILS/VEGETATION/LAND USE

Vegetation: Grass lands

Stream crossings: Ephemeral drainage crossing.

High erosion potential: Potential, cut 24.8' and fill of 16.8'.

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

Access Road: from junction of HWY 16 and HWY 201 travel west on HWY 201 for 30 miles. Access will be from oil field road and HWY 201. 3031' west from the junction of oil field road and HWY 201.

Unusually large wellsite (Describe dimensions): Well site is 400'X 400' required for a one well pad.

Damage to improvements: No.

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

Drilling fluids/solids: White Rock will not be utilizing a drilling pit. Drilling fluids and solids will be transported to a state approved disposal facility.

D. HEALTH HAZARDS/NOISE

Proximity to public facilities/residences: No occupied structures within a 1/4-mile radius. The closest occupied structure is approximately 1.9 miles northwest in section 30 T25N R53E.

Sidney, MT is approximately 45 miles to southeast.

Possibility of H2S: Possibility in Mississippian formations.

Size of rig/length of drilling time: 5-10 days.

Mitigation:

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

E. WILDLIFE/RECREATION

Sage Grouse: No.

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

Proximity to recreation sites: None.

Creation of new access to wildlife habitat: No.

Conflict with game range/refuge management: No.

Threatened or endangered species: Richland County are the Pallid Sturgeon, Sicklefin Chub, Interior Least Tern, Whooping Crane, Piping Plover, and the Northern Long-eared Bat.

Mitigation:

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

Comments: Private grass lands and cultivated field. 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.

IV. IMPACTS ON THE HUMAN POPULATION

A. 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.

B. 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: 5/14/2025

Title: Technical Program Coordinator