

Well Permitting Requirements and Process
Oil and Gas Conservation Division

- I. Before or concurrent with filing Application for Permit to Drill
 - 1) Organization report
 - 2) Plugging and restoration bond (Need separate UIC bond for class II injection wells)
 - 3) Notice of intent to drill published in Helena newspaper and paper in general circulation in the county (for wells outside of delineated fields)
 - 4) Notice of intent to drill given to all owners of occupied structures within 1,320 ft of the proposed well
 - 5) Consult with Montana Sage Grouse Program (for wells drilled in sage grouse habitat)

- II. Permit Application
 - 1) Completeness review
 - a. survey plat
 - b. Description/diagram of blow-out prevention equipment
 - c. wells in areas with H₂S gas might require H₂S contingency plan
 - d. topographic map (access routes, residences, water wells)
 - e. well site diagram
 - f. type of drilling fluid
 - g. reserve pit sketch (dimensions, freeboard, berms)
 - h. reserve pit liner description
 - i. plan for treatment or disposal of reserve pit solids and liquids
 - j. identification of other agency permits that might be required
 - k. verification/confirmation of public notice (1.3) and home owner notice (1.4)
 - l. Stipulations received from Montana Sage Grouse Program (for wells drilled in sage grouse habitat)

 - 2) Technical review
 - a. determine compliance with applicable spacing, well location or special field rules.
 - b. casing program review
 - i. adequate surface casing to protect underground sources of drinking water (USDW's) including any water wells identified on the permit application or the GWIC database.
 - ii. adequate coverage of deeper critical zones
 - iii. adequate well construction for planned/possible future hydraulic fracturing
 - c. completion method review

- i. processes, anticipated volumes, and types of material planned described
 - ii. full chemical disclosure for hydraulic fracturing chemicals (or approved trade secret form)
- d. require or not require well cuttings to be submitted

III. Environmental Assessment

1) Analysis Categories Include (with examples):

Air Quality (deep drilling, high horsepower, proximity to Class I air quality area, presence of hydrogen sulfide (H₂S) gas)

Water Quality (salt- or oil-based mud system, proximity to drainages, soil makeup, high water table or irrigated cropland)

Soils, Vegetation, and Land Use (stream crossings, erosion potential, loss of productivity, damage to existing improvements)

Health Hazards / Noise @low-out potential, excessive noise, presence of H₂S)

Wildlife/Recreation (proximity to sensitive wildlife areas, new access creation, threatened or endangered species)

Historical/Cultural/Paleontological (proximity to known sites, land ownership)

Social/Economic (effect on tax base, creation of demand for government services, population impacts)

2) Mitigation measures may be included as permit stipulations.

IV. Administrative Permit Rejection

- 1) Permit applications may be referred to the board, or applicant may have the opportunity to withdraw or modify the application.

V. Permit Approval

- 1) If application is subject to the published notice requirement and 10 days have passed and/or subject to the occupied structure notice and 14 days have passed, the permit

may be approved with any stipulations that may result from either the technical or environmental review.

- 2) Permits not subject to 10-day and/or 14-day notice requirements can be approved upon completion of completeness, technical, and environmental review.
- 3) If there is a request for the permit application to be heard it will be scheduled for the board's next available hearing date in accordance with A.R.M 36.22.601.