United States Department of the Interior
Bureau of Land Management

DOI-BLM-MT-C020-2016-0107-DNA
June 9, 2016

CONTINENTAL RESOURCES INC.'S
REQUEST TO FLARE

Location: **Devin 1-13H, Section 13, T26N-R53E, MTM100923**
Joann 1-32H, Section 32, T27N-R54E, MTM94217
Babka Federal 2-12H, Section 12, T24N-R52E, MTM92682

U.S. Department of the Interior
Bureau of Land Management
Miles City Field Office
111 Garryowen Road
Miles City, MT 59301
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Worksheet
Documentation of NEPA Adequacy (DNA)

U.S. Department of the Interior
Bureau of Land Management (BLM)

BLM Office: Miles City Field Office, Miles City, Montana

NEPA Number: DOI-BLM-MT-C020-2016-0107-DNA

Case File/Project No:

Proposed Action Title/Type: Continental Resource, Inc.'s request to periodically flare gas produced from three oil wells producing on three Federal leases per NTL-4A.

Location/Legal Description and Federal Lease Number:

Devin 1-13H, Section 13, T26N-R53E, MTM100923
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A: Description of the Proposed Action: To allow the occasional flaring of casinghead gas from three Federal oil wells producing on three Federal leases in Richland County, Montana. The casinghead gas produced from these wells is typically sold. Occasionally pipeline capacity constraints or maintenance prevent the produced gas from entering the sales line. In order for the wells to continue to produce oil during those conditions, the gas must be flared. The total gas produced from all three wells is approximately 200 mcf/d.

Applicant: Continental Resource, Inc.
County: Richland County, Montana
DNA Originator: Paul Helland

B. Land Use Plan (LUP) Conformance

LUP Name* MCFO's ARMP Date Approved September 21, 2015

Other document EA for 9 Continental APDs Date Approved April 17, 2012

**List applicable LUPs (for example, resource management plans; activity, project, management, or program plans; or applicable amendments thereto)*

☐ The proposed action is in conformance with the applicable LUPs because it is specifically provided for in the following LUP decisions:

☒ The proposed action is in conformance with the LUP, even though it is not specifically provided for, because it is clearly consistent with the following LUP decisions (objectives, terms, and conditions) Miles City Field Office ARMP, September 2015, Minerals Appendix, MIN 21.

C. Identify applicable National Environmental Policy Act (NEPA) document(s) and other related documents that cover the proposed action.

Continental Nine Well EA.docx for nine Continental Resources, Inc. APDs

Miles City Field Office ARMP, September 2015

D. NEPA Adequacy Criteria

1. Is the new proposed action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial? Yes, this action is similar to the action analyzed in the above mentioned environmental documents and is in the same Class II airshed. The impacts would be similar to the impacts analyzed in the referenced environmental documents. This request is to allow for venting or flaring of the gas produced from the above referenced wells when the gas is not saleable such as when sales line capacity is exceeded or during maintenance.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new proposed action, given current environmental concerns, interests, resource values? Yes, the current circumstances and alternatives are similar to the situation analyzed in the referenced EA. The alternatives are to allow the venting or flaring of produced gas or no action (not approve the venting/flaring of gas). If this gas is not vented or flared when circumstances dictate, the wells cannot produce oil.

3. Is the existing analysis valid in light of any new information or circumstances (such as rangeland health standard assessment, recent endangered species listings, updated lists of BLM-sensitive species)? Can you reasonably conclude that new information and new circumstance would not substantially change the analysis of the new proposed action? Yes, the existing analysis is valid and the action is in the same airshed analyzed in the referenced EA. Circumstances have not significantly changed regarding air quality in the area.

4. Are the direct, indirect and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document? Yes, the effects are similar to the situation analyzed in the referenced documents. The primary environmental effect from this action would be a slight degradation of air quality in the immediate area of the flare stack.

5. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action? Yes, other appropriate agencies are acknowledged. When the operator has approval to flare or vent from the BLM, the Conditions of Approval to vent or flare state, "This approval does not constitute approval via permit or rule to vent gas from the Oil and Gas Conservation Division, Department of Natural Resource and Conservation of the State of Montana or the Air Quality Division, Montana Department of Health and Environmental Sciences. Venting and flaring cannot occur unless it is in compliance with the aforementioned agencies' permits and administrative rules."

E. Interdisciplinary Analysis: Identify those team members conducting or participating in the preparation of this worksheet.

Name	Title	Resource Represented	Initials & Date
Paul Helland	**Petroleum Engineer**	**Minerals**	**PH 6-9-16**

/s/ Kathy Bockness **6/10/2016**
Environmental Coordinator **Date**

F. Mitigation Measures: List any applicable mitigation measures that were identified, analyzed, and approved in relevant LUPs and existing NEPA document(s). List the specific mitigation measures or identify an attachment that includes those specific mitigation measures. Document that these applicable mitigation measures must be incorporated and implemented.

Please see attached COAs.

CONCLUSION

[X] Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitutes BLM's compliance with the requirements of NEPA.

Note: If one or more of the criteria are not met, a conclusion of conformance and/or NEPA adequacy cannot be made and this box cannot be checked

/s/ Shane Findlay **6/15/2016**
Shane Findlay Date
Assistant Field Manager
Division of Mineral Resources

Note: The signed Conclusion on this Worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision. However, the lease, permit, or other authorization based on the DNA is subject to protest or appeal under 43 CFR Part 4 and the program-specific regulations.

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Richland County, Montana

Your NTL-4A application for the above captioned facility has been approved effective April 25, 2016 as authorized by NTL-4A, IV.B.1. This approval is based on the following:

1. It is necessary to occasionally flare casinghead gas due to pipeline capacity constraints in order to continue to produce oil from this well.

Terms and Conditions of Approval:

1. No royalty shall accrue if the gas is vented or flared from the above captioned facility.

2. This approval does not constitute approval via permit or rule to vent gas from the Oil and Gas Conservation Division, Department of Natural Resource and Conservation of the State of Montana or the Air Quality Division, Montana Department of Health and Environmental Sciences. Venting and flaring cannot occur unless it is in compliance with the aforementioned agencies' permits and administrative rules.

3. This approval remains in effect provided conditions remain such that occasional flaring of the gas is deemed appropriate by this office.

If you have any questions, please contact Paul Helland at 406-233-3668.

You have the right to request a State Director Review of this decision and these Conditions of Approval pursuant to 43 CFR 3165.3(b). An SDR request, including all supporting documentation shall be filed with the Montana State Office, State Director (MT-920) at 5001 Southgate Drive, Billings, Montana 59101-4669 within 20 business days of your receipt of this decision. If adversely affected by the State Director's decision, it can be further appealed to the Interior Board of Land Appeals (IBLA) pursuant to 43 CFR 3165.4, 43 CFR 4.411, and 43 CFR 4.413. Should you fail to timely request an SDR, or after receiving the State Director's decision, fail to timely file an appeal with IBLA, no further administrative review of this decision would be possible.