

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 14, 15, 22, AND 23, T25N-R58E, RICHLAND COUNTY, MONTANA, FOR THE PURPOSES OF DRILLING AN ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) ORIENTED IN A NORTH-SOUTH AZIMUTH PROXIMATE TO THE COMMON BOUNDARY BETWEEN EXISTING PERMANENT AND TEMPORARY SPACING UNITS AND THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 85-2019

Docket No. 88-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 14, 15, 22, and 23, T25N-R58E, Richland County, Montana, is designated an overlapping temporary spacing unit to drill an additional horizontal Bakken/Three Forks Formation well at any location within said overlapping temporary spacing unit but not closer than 200' (heel/toe setback) oriented in a north-south azimuth proximate to the common boundary between existing permanent and temporary spacing units. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.

BOARD ORDER NO. 85-2019

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF BALDWIN LYNCH ENERGY CORPORATION TO DRILL A LAKOTA FORMATION OIL AND GAS TEST WELL AT A PROPOSED WELL LOCATION APPROXIMATELY 520' FNL AND 2014' FWL IN SECTION 22, T9S-R22E, CARBON COUNTY, MONTANA, AS AN EXCEPTION TO A.R.M. 36.22.702. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 86-2019

Docket No. 93-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Baldwin Lynch Energy Corporation is authorized to drill a Lakota Formation oil and gas test well at the proposed location of approximately 520' FNL and 2014' FWL in Section 22, T9S-R22E, Carbon County, Montana, as an exception to A.R.M. 36.22.702(11).

BOARD ORDER NO. 86-2019

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO VACATE BOARD ORDER 40-2013 AND TO DESIGNATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTION 35, T27N-R53E AND ALL OF SECTIONS 2 AND 11, T26N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 0' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 79-2019

Docket No. 94-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. At the time of hearing, the applicant stated that a 0' heel and 200' toe setback rather than the requested 0' heel/toe setback would be adequate for the proposed well.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 79-2019

Order

IT IS THEREFORE ORDERED by the Board that Order 40-2013 is vacated and all of Section 35, T27N-R53E and all of Sections 2 and 11, T26N-R53E, Richland County, Montana is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit but not closer than 0' (heel setback), 200' (toe setback), and 500' (lateral setback) to the exterior boundaries thereof.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within 90 days of successful completion of the proposed well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO VACATE BOARD ORDERS 43-2013 AND 472-2012 AND TO DESIGNATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 14, 23, AND 26, T26N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 0' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 80-2019

Docket No. 95-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. At the time of hearing, the applicant stated that a 0' heel and 200' toe setback rather than the requested 0' heel/toe setback would be adequate for the proposed well.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 80-2019

Order

IT IS THEREFORE ORDERED by the Board that Orders 43-2013 and 472-2012 are vacated and all of Sections 14, 23, and 26, T26N-R53E, Richland County, Montana is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit but not closer than 0' (heel setback), 200' (toe setback), and 500' (lateral setback) to the exterior boundaries thereof.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within 90 days of successful completion of the proposed well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO VACATE BOARD ORDER 469-2013 AND TO DESIGNATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTION 36, T27N-R53E AND ALL OF SECTIONS 1 AND 12, T26N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 0' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 81-2019

Docket No. 96-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. At the time of hearing, the applicant stated that a 0' heel and 200' toe setback rather than the requested 0' heel/toe setback would be adequate for the proposed well.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Order 469-2013 is vacated and all of Section 36, T27N-R53E and all of Sections 1 and 12, T26N-R53E, Richland County, Montana is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit but not closer than 0' (heel setback), 200' (toe setback), and 500' (lateral setback) to the exterior boundaries thereof.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within 90 days of successful completion of the proposed well.

BOARD ORDER NO. 81-2019

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO AUTHORIZE THE DRILLING OF THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTION 36, T27N-R53E AND ALL OF SECTIONS 1 AND 12, T26N-R53E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 0' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 83-2019

Docket No. 97-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. At the time of hearing, the applicant stated that a 0' heel and 200' toe setback rather than the requested 0' heel/toe setback would be adequate for the proposed well.
3. The lands described in the caption were designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 81-2019.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Section 36, T27N-R53E and Sections 1 and 12, T26N-R53E, Richland County, Montana.
5. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 83-2019

Order

IT IS THEREFORE ORDERED by the Board that Continental Resources, Inc. is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Section 36, T27N-R53E and Sections 1 and 12, T26N-R53E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 0' (heel setback), 200' (toe setback), and 500' (lateral setback) to the exterior boundaries thereof.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO VACATE BOARD ORDER 113-2013 AND 472-2012 AND TO DESIGNATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 13, 24, AND 25, T26N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 0' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 82-2019

Docket No. 98-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. At the time of hearing, the applicant stated that a 0' heel and 200' toe setback rather than the requested 0' heel/toe setback would be adequate for the proposed well.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 82-2019

Order

IT IS THEREFORE ORDERED by the Board that Order 113-2013 is vacated and all of Sections 13, 24, and 25, T26N-R53E, Richland County, Montana is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit but not closer than 0' (heel setback), 200' (toe setback), and 500' (lateral setback) to the exterior boundaries thereof.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within 90 days of successful completion of the proposed well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO AUTHORIZE THE DRILLING OF THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 13, 24, AND 25, T26N-R53E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 0' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 84-2019

Docket No. 99-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. At the time of hearing, the applicant stated that a 0' heel and 200' toe setback rather than the requested 0' heel/toe setback would be adequate for the proposed well.
3. The lands described in the caption were designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 82-2019.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 13, 24, and 25, T26N-R53E, Richland County, Montana.
5. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 84-2019

Order

IT IS THEREFORE ORDERED by the Board that Continental Resources, Inc. is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 13, 24, and 25, T26N-R53E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 0' (heel setback), 200' (toe setback), and 500' (lateral setback) to the exterior boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

REQUEST FOR A CHANGE OF OPERATOR, AND AS REQUIRED BY BOARD POLICY, THE BOARD WILL HOLD A HEARING TO CONSIDER APPROVAL OF THE TRANSFER OF PLUGGING AND RECLAMATION RESPONSIBILITIES FOR CERTAIN WELLS IDENTIFIED IN THE APPLICATIONS FROM MONTANA LAND & EXPLORATION, INC. TO ANG HOLDINGS (USA) CORP., AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA.

ORDER 78-2019

Docket No. 108-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.

2. Don Lee, attorney, appeared on behalf of ANG Holdings (USA) Corp. (ANG).

3. The Board and its staff reviewed ANG's pending change of operator request from Montana Land & Exploration, Inc. ANG is proposing to submit the equivalent bonding as the current operator.

4. The Board determined that ANG's proposed plugging and reclamation bond of \$50,000 to cover its 82 multiple producing wells was adequate and in accordance with ARM 36.22.1308(3).

5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that staff may proceed with administrative review and approval of the change of operator request.

IT IS FURTHER ORDERED that ANG's \$50,000 multiple well bond is limited to 82 producing wells.

BOARD ORDER NO. 78-2019

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE WHITE ROCK
OIL & GAS, LLC TO APPEAR AND PROVIDE THE BOARD A
PROGRESS UPDATE OF ITS EFFORTS TO REDUCE ITS PLUGGING
LIABILITY.

ORDER 87-2019

Docket No. 109-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Shawna Bonini, operations engineer, Eric Linthicum, regulatory manager, and John Lee, attorney, appeared on behalf of White Rock Oil & Gas, LLC (White Rock).
3. White Rock provide a status report on its efforts to reduce its plugging liability.
4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that staff will continue to monitor White Rock's efforts to reduce its plugging liability.

BOARD ORDER NO. 87-2019

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE ZEIDERS BROS. OIL & GAS COMPANY, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT BE REQUIRED TO IMMEDIATELY PLUG AND ABANDON ITS RUDOLPH HAYNIE 1-5 WELL, API # 25-055-21207, LOCATED IN THE SE¼NE¼ OF SECTION 5, T22N-R47E, MCCONE COUNTY, MONTANA.

ORDER 88-2019

Docket No. 110-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Zeiders Bros. Oil & Gas Company, LLC.
3. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that respondent has not demonstrated that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Zeiders Bros. Oil & Gas Company, LLC is fined \$1,000 for failure to appear at the October 10, 2019, public hearing.

IT IS FURTHER ORDERED by the Board that Zeiders Bros. Oil & Gas Company, LLC must show cause at the December 5, 2019, public hearing for why it should not immediately plug and abandon its Rudolph Haynie 1-5 well, API # 25-055-21207, located in the SE¼NE¼ of Section 5, T22N-R47E, McCone County, Montana and why additional penalties should not be assessed.

BOARD ORDER NO. 88-2019

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE TOI OPERATING TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO PLUG AND ABANDON ITS MOERMAN 14-30 WELL, API # 25-109-21053, LOCATED IN THE SW¹/₄SW¹/₄ OF SECTION 30, T18N-R59E, WIBAUX COUNTY, MONTANA.

ORDER 89-2019

STATUS OF THE MT AG. STA. 28-41 WELL., LOCATED IN THE NE¹/₄NE¹/₄ OF SECTION 28, T23N-R59E, RICHLAND COUNTY, MONTANA AND THE THEIL 14-23 WELL LOCATED IN THE NE¹/₄SW¹/₄ OF SECTION 14, T22N-R59E, RICHLAND COUNTY, MONTANA WILL ALSO BE REVIEWED.

Docket No. 111-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Orlen Carver (Lenny) appeared on behalf of TOI Operating (TOI).
3. At the August 15, 2019, public hearing, TOI was ordered to begin the process to plug and abandon its Moerman 14-30 well within 30 days or be subject to a \$250 fine for each day after the deadline that the well remains unplugged.
4. TOI did not begin to plug and abandon its Moerman 14-30 well and the daily fine continues to accrue.
5. Mr. Carver stated he is trying to sell his wells and exit the oil and gas industry.
6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

BOARD ORDER NO. 89-2019

Order

IT IS THEREFORE ORDERED by the Board that the \$250 daily fine remains in effect until the Moerman 14-30 well is plugged and abandoned.

IT IS FURTHER ORDERED by the Board that Docket 111-2019 is continued until the December 5, 2019, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE PARMT LLC TO APPEAR AND SHOW-CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT PROVIDE A PLAN AND TIMELINE FOR THE PLUGGING AND ABANDONMENT OF THE GUENTHER 2-8 WELL, LOCATED IN THE SW¼NE¼ OF SECTION 8, T33N-R58E, SHERIDAN COUNTY, MONTANA.

ORDER 90-2019

Docket No. 112-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of PARMT LLC (PARMT).
3. PARMT failed to provide a plugging and abandonment plan for the Guenther 2-8 well, as required by Board Order 74-2019.
4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that PARMT LLC is fined \$1,000 for failure to appear at the October 10, 2019, public hearing.

IT IS FURTHER ORDERED that PARMT must show cause at the December 5, 2019, public hearing for why it should not immediately plug and abandon the Guenther 2-8 well, located in the SW¼NE¼ of Section 8, T33N-R58E, Sheridan County, Montana and why additional penalties should not be assessed.

BOARD ORDER NO. 90-2019

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE BENSUN ENERGY, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT BEGIN TO PLUG AND ABANDON OR TRANSFER ITS WELLS PRIOR TO THE OCTOBER 10, 2019, PUBLIC HEARING. THE FAILURE TO BEGIN TO PLUG AND ABANDON OR TRANSFER THE WELLS AS REQUIRED BY BOARD ORDER 77-2019 MAY RESULT IN FORFEITURE OF THE PLUGGING AND RECLAMATION BOND IN ITS ENTIRETY, AS PERMITTED BY § 82-11-123(5), MCA.

ORDER 91-2019

Docket No. 113-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Lance Benson and Christy Strevey, CEO of Diamond Halo Group, LLC (Diamond Halo), appeared on behalf of Bensun Energy, LLC (Bensun)
3. Ms. Strevey stated the sale of Bensun's wells to DeepRiver Petroleum, LLC (DeepRiver) and Diamond Halo would be finalized in 30 days.
4. Bensun has an outstanding fine in the amount of \$9,997.50. This fine amount includes an emergency well clean up on the Loucks 33-27 well location in the amount of \$1,877.50, an injection well fee of \$200, the injection well late fee of \$100, and a compliance fine of \$7,820.
5. Ms. Strevey with Diamond Halo proposed a payment of \$9,997.50 to go towards Bensun's outstanding fines.
6. Bensun still has field violations that need to be remedied.
7. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

BOARD ORDER NO. 91-2019

Order

IT IS THEREFORE ORDERED by the Board that the \$9,997.50 payment proposed by Christy Strevey be accepted and that payment is required before the close of business on October 10, 2019.

IT IS FURTHER ORDERED by the Board that Docket 113-2019 is continued until the December 5, 2019, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE BLACK GOLD ENERGY RESOURCE DEVELOPMENT, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD NOT BE FORFEITED FOR FAILURE TO BEGIN TO PLUG AND ABANDON ITS INDIAN MOUND 1 SWD (API # 25-083-21377) WELL LOCATED IN THE NE¼SW¼SW¼ OF SECTION 15, T23N-R55E, RICHLAND COUNTY, MONTANA AS REQUIRED BY BOARD ORDER 45-2017, IN ACCORDANCE WITH § 82-11-123(5), MCA.

ORDER 92-2019

AT THE HEARING, COMPLIANCE WILL BE REVIEWED, AND A DETERMINATION WILL BE MADE CONCERNING THE OUTSTANDING FINE OF \$112,500.

Docket No. 60-2017

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Chris Blount appeared on behalf of Black Gold Energy Resource Development, LLC (Black Gold).
3. Black Gold has outstanding field compliance issues and an outstanding fine in the amount of \$112,500.
4. The Board discussed dismissing the outstanding fine if Black Gold raises its \$10,000 plugging and reclamation bond to \$20,000.
5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

BOARD ORDER NO. 92-2019

Order

IT IS THEREFORE ORDERED by the Board that Black Gold immediately increase its plugging and reclamation bond to \$20,000 by the November 7, 2019, deadline, in accordance with ARM 36.22.1308(3).

IT IS FURTHER ORDERED that Docket 60-2017 and the outstanding fine in the amount of \$112,500 are dismissed if the additional bonding amount of \$10,000 is received prior to the deadline.

IT IS FURTHER ORDERED that Black Gold must address the outstanding field violations of record by the November 7, 2019, deadline. Black Gold is subject to a \$250 fine for each day after the deadline that the violations remain unresolved. The fine will remain in effect until compliance is confirmed by inspection. The failure to come into compliance will result in Black Gold being ordered to show cause at the December 5, 2019, public hearing, as to why the field violations remain.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE GRASSY BUTTE, LLC, TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO MAINTAIN MECHANICAL INTEGRITY FOR THE KESTERSON #5 SALTWATER DISPOSAL WELL (API # 25-087-21488).

ORDER 93-2019

Docket No. 75-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Grassy Butte, LLC.
3. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Grassy Butte, LLC's injection permit for the Kesterson #5 well, API # 25-087-21488, located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 34, T10N-R33E, Rosebud County, Montana is revoked.

IT IS FURTHER ORDERED that Grassy Butte, LLC must have an approved plan to plug and abandon the Kesterson #5 well by the December 5, 2019, public hearing.

BOARD ORDER NO. 93-2019

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE SUMMIT GAS RESOURCES, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO MAINTAIN MECHANICAL INTEGRITY FOR THE VISBORG 22-0841 11SA (API # 25-003-22690) AND THE DP 31-0842 05SA (API # 25-003-22725) SALTWATER DISPOSAL WELLS.

ORDER 94-2019

Docket No. 76-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Peter Schoonmaker, president and CEO, appeared on behalf of Summit Gas Resources, Inc. (Summit).
3. Summit stated that the DP 31-0842 05SA well passed the mechanical integrity test and is in compliance. The Visborg 22-0841 11SA well failed the mechanical integrity test and will be plugged and abandoned.
4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Summit must plug and abandon the Visborg 22-0841 11SA well, API # 25-003-22690, located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 22, T8S-R41E prior to the December 5, 2019, public hearing.

IT IS FURTHER ORDERED by the Board that Docket 76-2019 is continued until the December 5, 2019, public hearing.

BOARD ORDER NO. 94-2019

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE CLINE PRODUCTION COMPANY TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO MAINTAIN MECHANICAL INTEGRITY FOR THE KINCHELOE 3X-30 (API # 25-087-21285), KINCHELOE 1-6 (API # 25-087-21346), KINCHELOE 10-19 (API # 25-087-21239), AND THE KINCHELOE 1-12 (API # 25-087-21354) ENHANCED OIL RECOVERY INJECTION WELLS.

ORDER 95-2019

Docket No. 77-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Cline Production Company (Cline).
3. A.B. Cline Jr. submitted a letter requesting a continuance to the December 5, 2019, public hearing.
4. Prior to the August 15, 2019, public hearing, Cline had returned three of its four wells to compliance. The Kincheloe 3X-30 remains out of compliance.
5. The Board discussed Cline's request for continuance and denied the request.
6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

BOARD ORDER NO. 95-2019

Order

IT IS THEREFORE ORDERED by the Board that Cline is fined \$1,000 for failure to appear at the October 10, 2019, public hearing.

IT IS FURTHER ORDERED by the Board that Docket 77-2019 is dismissed with respect to the following wells which are in compliance:

- Kincheloe 1-6 well, API # 25-087-21346, located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 1, T10N-R31E
- Kincheloe 10-19 well, API # 25-087-21239, located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 19, T11N-R32E
- Kincheloe 1-12 well, API # 25-087-21354, located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 1, T10N-R31E

IT IS FURTHER ORDERED by the Board that Docket 77-2019 is continued to the December 5, 2019, public hearing and Cline must return the Kincheloe 3X-30 well, API # 25-087-21285, located in the NW $\frac{1}{4}$ of Section 30, T11N-R32E, Rosebud, County, Montana, to compliance prior to the December 5, 2019, 2019, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE BOARD'S OWN MOTION TO REQUIRE A & G OIL & GAS TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD NOT BE FORFEITED FOR FAILURE TO BEGIN TO PLUG AND ABANDON THE FOLLOWING WELLS AS REQUIRED BY BOARD ORDER 22-2019, IN ACCORDANCE WITH § 82-11-123(5), MCA.

ORDER 96-2019

- NORMONT 1 WELL, API # 25-101-23443, LOCATED IN THE SE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ OF SECTION 2, T34N-R2W, TOOLE COUNTY, MONTANA
- ROSSMILLER 3 WELL, API # 25-101-23440, LOCATED IN THE NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 11, T34N-R2W, TOOLE COUNTY, MONTANA
- MULLADY 11-30 WELL, API # 25-101-22933, LOCATED IN THE SE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ OF SECTION 30, T35N-R3W, TOOLE COUNTY, MONTANA

Docket No. 78-2019

Report of the Board

The above entitled cause came on regularly for hearing on October 10, 2019, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of A & G Oil & Gas (A & G).
3. A & G requested additional time to plug and abandon the Normont 1 well, Rossmiller 3 well, and the Mullady 11-30 well. The delay was due to a legal issue regarding AG Wall's estate. The issue has been resolved.
4. Staff recommended the docket be continued to the December 5, 2019, public hearing.
5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

BOARD ORDER NO. 96-2019

Order

IT IS THEREFORE ORDERED by the Board that Docket 78-2019 is continued until the December 5, 2019, 2019, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10th day of October, 2019.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Paul Gatzemeier, Vice-Chairman

Mac McDermott, Board Member

Linda Nelson, Board Member

Dennis Trudell, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist