

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
BOARD OF OIL AND GAS CONSERVATION

**Telephonic Business Meeting Agenda
August 5, 2020 2:00 p.m.**

Physical location of Meeting: Board of Oil and Gas Conservation Hearing room, 2535 St. Johns Avenue, Billings, Montana

As required by Governor Bullock's directive, everyone on the premises must maintain at least six feet of separation from any other person. If necessary, individuals will be allowed to enter on a rotating basis, as needed, to comply with social distancing.

Due to COVID-19 considerations, please call into the meeting using the following directions

Conference Call Access:

Call-in Number: **1-646-558-8656 (toll-free)**

Meeting ID: 967 2287 0290 and then **press #**

Zoom Meeting URL: <https://mt-gov.zoom.us/j/96722870290>

Meeting Participation Instructions:

Many participants are anticipated. To enable this meeting to run smoothly:

- Place your phone on mute.
- Do not place your phone on hold.
- The board chair will manage the meeting. Do not speak until called upon by the chair. Opportunity for input will be provided.

The agenda for that meeting is as follows:

1. Call to order
2. Roll Call & Instructions
 - 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
3. Approval of minutes of June 24, 2020, business meeting
4. Public comment on agenda and non-agenda items
5. Financial report
6. Proposed adoption of ARM 36.22.1242 – Privilege and License Tax Rate
7. Bond summary & incident report
8. Docket summary
9. Gas flaring exceptions
10. Staff reports
11. Other business
12. Adjourn

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
BOARD OF OIL AND GAS CONSERVATION

**Telephonic Public Hearing Agenda
August 6, 2020 9:00 a.m.**

Physical location of Meeting: Board of Oil and Gas Conservation Hearing room, 2535 St. Johns Avenue, Billings, Montana

As required by Governor Bullock's directive, everyone on the premises must maintain at least six feet of separation from any other person. If necessary, individuals will be allowed to enter on a rotating basis, as needed, to comply with social distancing.

Due to COVID-19 considerations, please call into the meeting using the following directions

Conference Call Access:

Call-in Number: **1-646-558-8656 (toll-free)**

Meeting ID: 975 0309 4349 and then **press #**

Zoom Meeting URL: <https://mt-gov.zoom.us/j/97503094349>

Meeting Participation Instructions:

Many participants are anticipated. To enable this meeting to run smoothly:

- Place your phone on mute.
- Do not place your phone on hold.
- The board chair will manage the meeting. Do not speak until called upon by the chair. Opportunity for input will be provided.

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below. Interested persons have the opportunity to be heard for each docket. For more information or to request accommodation for a disability, please contact Erin Ricci at (406) 444-6731 or Jennifer Breton at (406) 656-0040, as soon as possible before the scheduled hearing.

Docket 37-2020

APPLICANT: CARDINAL OIL, LLC – ROSEBUD COUNTY, MONTANA

Upon the application of **Cardinal Oil, LLC** to create a temporary spacing unit comprised of all of Section 27, T10N-R31E, Rosebud County, Montana, to drill a horizontal Heath Formation well anywhere within said spacing unit but not closer than 200' (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.

Docket 38-2020

APPLICANT: CAT CREEK HOLDINGS LLC – GARFIELD AND PETROLEUM COUNTIES, 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 application from **Carrell Oil Company DBA COCO to Cat Creek Holdings LLC** and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.

Docket 39-2020

APPLICANT: THREE FORKS RESOURCES, LLC – LIBERTY COUNTY, 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 application from **True Oil LLC to Three Forks Resources, LLC** and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.

Docket 32-2020

Continued from April 2020

APPLICANT: CRAZY MOUNTAIN OIL & GAS LLC – MUSSELSHELL, ROSEBUD, STILLWATER, AND SWEETGRASS COUNTIES, 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 application from **Bayswater Exploration & Production, LLC to Crazy Mountain Oil & Gas LLC** and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.

Docket 40-2020

SHOW-CAUSE HEARING

RESPONDENT: ROLAND OIL AND GAS – GLACIER AND PONDERA COUNTIES, MONTANA

Upon the Board's own motion to require **Roland Oil and Gas** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to file production reports and to pay the administrative penalty assessed for delinquent reporting. In accordance with Board policy the amount due now is \$400.00. This docket will be dismissed if payment and reports are received prior to the hearing. Failure to appear at the Show Cause hearing or to make suitable arrangements prior to said hearing subjects Roland Oil and Gas to further penalties as prescribed by Board Policy.

Docket 41-2020

SHOW-CAUSE HEARING

RESPONDENT: SHADWELL RESOURCES GROUP, LLC– RICHLAND COUNTY, MONTANA

Upon the Board's own motion to require **Shadwell Resources Group, LLC** to appear and show cause, if any it has, why Administrative Order 3-A-2020 issued at the June 24, 2020, business meeting should not remain in effect for the Velma SWD 1-10H well, API # 25-083-22531, located in the NW¼NW¼ of Section 10, T23N-R58E, Richland County, Montana. It was ordered that Shadwell Resources Group, LLC must immediately cease operations at the Velma SWD 1-10H well and that no additional fluids be transported to the location until violations are remedied, compliance is confirmed by inspection, and this order is lifted by the Administrator.

Docket 127-2019
SHOW-CAUSE HEARING
Continued from December 2019

RESPONDENT: PRIDE ENERGY COMPANY – RICHLAND AND SHERIDAN COUNTIES, MONTANA

Upon the Board's own motion to require **Pride Energy Company** to appear and show-cause, if any it has, for why they should not have to provide a plan and timeline for the plugging of the following wells:

- BN 23-1, API # 25-083-21609, located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 23, T23N-R54E, Richland County, Montana
- BN 10X-23, API # 25-083-21644, located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23, T23N-R54E, Richland County, Montana
- BN 23-1X, API # 25-083-21794, located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 23, T23N-R54E, Richland County, Montana
- E. Sundsted 1, API # 25-091-21576, located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 6, T33N-R57E, Sheridan County, Montana

Docket 128-2019
SHOW-CAUSE HEARING
Continued from December 2019

RESPONDENT: CARRELL OIL COMPANY DBA COCO – PETROLEUM COUNTY, MONTANA

Upon the Board's own motion to require **Carrell Oil Company DBA COCO** to appear and show cause, if any it has, why penalties should not be imposed for failure to maintain mechanical integrity for the Fifer 3 (API # 25-069-05141) enhanced oil recovery well.

BOARD OF OIL AND GAS CONSERVATION

Erin Ricci
Administrative Assistant