

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

UPON THE APPLICATION OF PRIMA EXPLORATION, INC. TO AMEND BOARD ORDER 40-2020 WHICH AUTHORIZED THE DRILLING OF UP TO FOUR HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 18 AND 19 T25N-R59E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, TO REQUIRE OPERATIONS FOR THE DRILLING OF SUCH WELLS MUST BE COMMENCED NOT LATER THAN DECEMBER 5, 2022.

ORDER 86-2021

Docket No. 91-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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. Member Corey Welter recused himself and took no part in this matter. 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. John Lee, attorney, appeared on behalf of Prima Exploration, Inc.
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 Board Order 40-2020 is hereby amended to provide that drilling operations must commence not later than December 5, 2022.

BOARD ORDER NO. 86-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member (recused)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE, LLC FOR APPROVAL OF A PILOT ENHANCED RECOVERY PROJECT PURSUANT TO A.R.M. 36.22.1229 IN THE MADISON GROUP INVOLVING THE SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 8, SW $\frac{1}{4}$ SW $\frac{1}{4}$ OF SECTION 16, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ OF SECTION 17, NE $\frac{1}{4}$ NE $\frac{1}{4}$ OF SECTION 20, AND THE NW $\frac{1}{4}$ NW $\frac{1}{4}$ OF SECTION 21, T10N-R58E, FALLON COUNTY, MONTANA, FOR A PERIOD NOT TO EXCEED EIGHTEEN MONTHS FOR THE COMMENCEMENT OF INJECTION OPERATIONS.

ORDER 87-2021

Docket No. 94-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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. John Lee, attorney, Clayton Breckenridge, landman, Emily Fields, geologist, and Rachel Lint, reservoir engineer, appeared on behalf of Denbury Onshore, LLC.
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 ARM 36.22.1229 have been met.

Order

IT IS THEREFORE ORDERED by the Board that Denbury Onshore, LLC is authorized to commence a pilot enhanced recovery project in the Madison Group involving the SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 8, SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 16, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ of Section 17, NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 20, and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 21, T10N-R58E, Fallon County, Montana.

IT IS FURTHER ORDERED that the injection period authorized under this order is limited to 18 months from the date of initial injection.

BOARD ORDER NO. 87-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CONVERT THE 34-08 WELL (API #25-025-05548) LOCATED IN THE SW¼SE¼ OF SECTION 8, T10N-R58E, FALLON COUNTY, MONTANA (CABIN CREEK FIELD) TO AN ENHANCED RECOVERY INJECTION WELL IN THE MADISON FORMATION AT A DEPTH OF APPROXIMATELY 6,990-7,387 FT. AN AQUIFER EXEMPTION IS BEING REQUESTED AS WATER IN THE INJECTION FORMATION CONTAINS LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 88-2021

Docket No. 95-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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. John Lee, attorney, Clayton Breckenridge, landman, Emily Fields, geologist, and Rachel Lint, reservoir engineer, appeared on behalf of Denbury Onshore, LLC.
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 ARM 36.22.1403 have been met.

Order

IT IS THEREFORE ORDERED by the Board that the application of Denbury Onshore, LLC is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 88-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CONVERT THE 23X-17R WELL (API #25-025-21940) LOCATED IN THE NE¼SW¼ OF SECTION 17, T10N-R58E, FALLON COUNTY, MONTANA (CABIN CREEK FIELD) TO AN ENHANCED RECOVERY INJECTION WELL IN THE MADISON FORMATION AT A DEPTH OF APPROXIMATELY 7,006-7,403 FT. AN AQUIFER EXEMPTION IS BEING REQUESTED AS WATER IN THE INJECTION FORMATION CONTAINS LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 89-2021

Docket No. 96-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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. John Lee, attorney, Clayton Breckenridge, landman, Emily Fields, geologist, and Rachel Lint, reservoir engineer, appeared on behalf of Denbury Onshore, LLC.
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 ARM 36.22.1403 have been met.

Order

IT IS THEREFORE ORDERED by the Board that the application of Denbury Onshore, LLC is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 89-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CERTIFY THE EAST LOOKOUT BUTTE UNIT AREA, FALLON COUNTY, MONTANA, AS A TERTIARY RECOVERY PROJECT EFFECTIVE JANUARY 1, 2022, AND TO CERTIFY THE PRODUCTION DECLINE RATES USED TO CALCULATE INCREMENTAL PRODUCTION IN THE PROJECT AREA, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE.

ORDER 90-2021

T6N-R60E

SECTION 1: LOTS 1-4,
S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
SECTION 2: LOTS 1-3,
S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$
SECTION 11: E $\frac{1}{2}$ NE $\frac{1}{4}$
SECTION 12: E $\frac{1}{2}$, NW $\frac{1}{4}$,
N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$
SECTION 13: E $\frac{1}{2}$, E $\frac{1}{2}$ NW $\frac{1}{4}$,
SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$

T6N-R61E

SECTION 3: LOTS 1-4,
S $\frac{1}{2}$ N $\frac{1}{2}$, SW $\frac{1}{4}$
SECTION 4: LOTS 1-4,
S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
SECTION 5: LOTS 1-4,
S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
SECTION 6: LOTS 1-4,
S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
SECTION 7: ALL
SECTION 8: ALL
SECTION 9: N $\frac{1}{2}$, SW $\frac{1}{4}$

SECTION 17: ALL
SECTION 18: ALL

T7N-R60E

SECTION 1: SW $\frac{1}{4}$
SECTION 2: LOTS 1-4, S $\frac{1}{2}$
SECTION 3: LOTS 1-4, S $\frac{1}{2}$
SECTION 4: LOTS 1-2, SE $\frac{1}{4}$
SECTION 9: E $\frac{1}{2}$ NE $\frac{1}{4}$,
N $\frac{1}{2}$ SE $\frac{1}{4}$
SECTION 10: ALL
SECTION 11: ALL
SECTION 12: ALL
SECTION 13: ALL
SECTION 14: ALL
SECTION 15: E $\frac{1}{2}$ NE $\frac{1}{4}$
SECTION 23: E $\frac{1}{2}$, E $\frac{1}{2}$ NW $\frac{1}{4}$,
SW $\frac{1}{4}$
SECTION 24: ALL
SECTION 25: ALL
SECTION 34: E $\frac{1}{2}$ NE $\frac{1}{4}$,
NW $\frac{1}{4}$ NE $\frac{1}{4}$
SECTION 35: ALL

SECTION 36: ALL

T7N-R61E

SECTION 7: SW $\frac{1}{4}$
SECTION 17: SW $\frac{1}{4}$
SECTION 18: ALL
SECTION 19: ALL
SECTION 20: ALL
SECTION 21: SW $\frac{1}{4}$
SECTION 28: W $\frac{1}{2}$, SE $\frac{1}{4}$
SECTION 29: ALL
SECTION 30: ALL
SECTION 31: ALL
SECTION 32: ALL
SECTION 33: ALL
SECTION 34: W $\frac{1}{2}$, SE $\frac{1}{4}$

T8N-R60E

SECTION 26: S $\frac{1}{2}$
SECTION 27: S $\frac{1}{2}$
SECTION 34: ALL
SECTION 35: ALL
SECTION 36: W $\frac{1}{2}$

Docket No. 97-2021 / 1-2022 FED

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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.

BOARD ORDER NO. 90-2021

2. Uriah Price, attorney, Kent Foster, landman, Emily Fields, geologist, and Rachel Lint, reservoir engineer, appeared on behalf of Denbury Onshore, LLC.

3. At the time of hearing, Uriah Price stated for the record that the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 35, T7N-R60E is not part of the unitized lands within that Section. The corrected legal description will be listed in the Board's Order.

4. The evidence indicates that the East Lookout Butte Unit Area in Fallon County, Montana, is a tertiary recovery project and is entitled to the tax benefits of such a project.

5. The evidence indicates that the application of one or more tertiary recovery methods that can reasonably be expected to result in a significant increase, in light of all the facts and circumstances, in the amount of crude oil that may be potentially recovered.

6. The evidence indicates that the production decline rate presented by Denbury was extrapolated by a Board-approved method and is reasonable and appropriate in light of the facts and circumstances.

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, as a matter of law, that after proper notice and hearing, the subject lands should be certified as a tertiary recovery project as defined in M.C.A. § 15-36-303(25). Further, the Board will certify Denbury's proposed production decline rate under M.C.A. § 15-36-303(20) as it was presented to the Board in Denbury's evidence.

Order

IT IS THEREFORE ORDERED by the Board that the following described lands in Fallon County, Montana, are designated as a new tertiary recovery project effective January 1, 2022.

T6N-R60E

SECTION 1: LOTS 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$,
S $\frac{1}{2}$
SECTION 2: LOTS 1-3,
S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$
SECTION 11: E $\frac{1}{2}$ NE $\frac{1}{4}$
SECTION 12: E $\frac{1}{2}$, NW $\frac{1}{4}$,
N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$
SECTION 13: E $\frac{1}{2}$, E $\frac{1}{2}$ NW $\frac{1}{4}$,
SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$

T6N-R61E

SECTION 3: LOTS 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$,
SW $\frac{1}{4}$
SECTION 4: LOTS 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$,
S $\frac{1}{2}$
SECTION 5: LOTS 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$,
S $\frac{1}{2}$
SECTION 6: LOTS 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$,
S $\frac{1}{2}$
SECTION 7: ALL
SECTION 8: ALL
SECTION 9: N $\frac{1}{2}$, SW $\frac{1}{4}$

SECTION 17: ALL

SECTION 18: ALL

T7N-R60E

SECTION 1: SW $\frac{1}{4}$
SECTION 2: LOTS 1-4, S $\frac{1}{2}$
SECTION 3: LOTS 1-4, S $\frac{1}{2}$
SECTION 4: LOTS 1-2, SE $\frac{1}{4}$
SECTION 9: E $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$
SECTION 10: ALL
SECTION 11: ALL
SECTION 12: ALL
SECTION 13: ALL
SECTION 14: ALL
SECTION 15: E $\frac{1}{2}$ NE $\frac{1}{4}$
SECTION 23: E $\frac{1}{2}$, E $\frac{1}{2}$ NW $\frac{1}{4}$,
SW $\frac{1}{4}$
SECTION 24: ALL
SECTION 25: ALL
SECTION 34: E $\frac{1}{2}$ NE $\frac{1}{4}$,
NW $\frac{1}{4}$ NE $\frac{1}{4}$
SECTION 35: N $\frac{1}{2}$, N $\frac{1}{2}$ SW $\frac{1}{4}$,
SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$
SECTION 36: ALL

T7N-R61E

SECTION 7: SW $\frac{1}{4}$
SECTION 17: SW $\frac{1}{4}$
SECTION 18: ALL
SECTION 19: ALL
SECTION 20: ALL
SECTION 21: SW $\frac{1}{4}$
SECTION 28: W $\frac{1}{2}$, SE $\frac{1}{4}$
SECTION 29: ALL
SECTION 30: ALL
SECTION 31: ALL
SECTION 32: ALL
SECTION 33: ALL
SECTION 34: W $\frac{1}{2}$, SE $\frac{1}{4}$

T8N-R60E

SECTION 26: S $\frac{1}{2}$
SECTION 27: S $\frac{1}{2}$
SECTION 34: ALL
SECTION 35: ALL
SECTION 36: W $\frac{1}{2}$

BOARD ORDER NO. 90-2021

IT IS FURTHER ORDERED that the methodology used to determine the production decline rate and forecast is hereby approved, and that the Board hereby certifies Denbury's production decline rate as the proper rate to be used to calculate incremental production in the project area to the Montana Department of Revenue.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KARSTED OPERATING, LLC TO RE-
ENTER THE STATE 19-1 WELL IN THE SE¼NW¼ OF SECTION 19,
T34N-R46E, DANIELS COUNTY, MONTANA (HELL COULEE FIELD)
AND COMPLETE IT AS A SALTWATER DISPOSAL WELL IN THE
DAKOTA FORMATION AT A DEPTH OF APPROXIMATELY 3,950 —
4,150 FT.

ORDER 93-2021

Docket No. 98-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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 ARM 36.22.1403 have been met.

Order

IT IS THEREFORE ORDERED by the Board that the application of Karsted Operating, LLC is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 93-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 210 WELLS IN RICHLAND COUNTY, MONTANA, IDENTIFIED IN THE APPLICATION FROM ENERPLUS RESOURCES USA CORPORATION TO EMEP OPERATING, LLC AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA. BOARD RECORDS SHOW ENERPLUS IS RESPONSIBLE FOR 205 PRODUCING WELLS COVERED BY A MULTIPLE WELL BOND AND TWO INJECTION WELLS WHICH ARE BONDED SEPARATELY. FIVE WELLS INCLUDED IN THE TRANSFER REQUEST HAVE BEEN PLUGGED AND RELEASED FROM BOND.

ORDER 91-2021

Docket No. 101-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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. Uriah Price, attorney, Kyle Dubiel, vice president of business development, land, and legal, and Eric Pregler, CEO, appeared on behalf of EMEP Operating, LLC (EMEP).
3. The Board and its staff reviewed EMEP's change of operator request from Enerplus Resources USA Corporation (Enerplus).
4. EMEP proposed a \$100,000 multiple well plugging and reclamation bond that would cover 203 of the wells in the proposed transfer, which includes 196 producing wells and seven shut-in wells. Two \$10,000 UIC plugging and reclamation bonds were also proposed to cover the two injection wells.
5. EMEP testified that two permitted wells with locations built were mistakenly left off the proposed change of operator, and that it will be submitting another change of operator to include those wells on its proposed multiple well bond. EMEP is also assuming the liability of five plugged and abandoned wells from Enerplus. Those wells do not require bonding.
6. The Board determined that EMEP proposed plugging and reclamation bonds are adequate and in accordance with ARM 36.22.1308(3).
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.

BOARD ORDER NO. 91-2021

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.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 TRANSFERS OF PLUGGING AND RECLAMATION RESPONSIBILITIES FOR 185 WELLS IN RICHLAND AND ROOSEVELT COUNTIES, MONTANA, IDENTIFIED IN THE APPLICATION FROM XTO ENERGY INC. TO WHITE ROCK OIL & GAS, LLC AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA. BOARD RECORDS SHOW XTO IS RESPONSIBLE FOR 180 PRODUCING WELLS COVERED BY A MULTIPLE WELL BOND, ONE INJECTION WELL WHICH IS BONDED SEPARATELY, AND THREE FEDERALLY BONDED WELLS.

ORDER 92-2021

Docket No. 102-2021

REQUEST FOR A CHANGE OF OPERATOR, AND AS REQUIRED BY BOARD POLICY, THE BOARD WILL HOLD A HEARING TO CONSIDER APPROVAL OF THE TRANSFERS OF PLUGGING AND RECLAMATION RESPONSIBILITIES FOR 64 WELLS IN RICHLAND COUNTY, MONTANA, IDENTIFIED IN THE APPLICATION FROM BURLINGTON RESOURCES OIL & GAS COMPANY LP TO WHITE ROCK OIL & GAS, LLC AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA. BOARD RECORDS SHOW BURLINGTON IS RESPONSIBLE FOR 61 PRODUCING WELLS COVERED BY A MULTIPLE WELL BOND. THREE WELLS INCLUDED IN THE TRANSFER REQUEST HAVE BEEN PLUGGED AND RELEASED FROM BOND.

Docket No. 103-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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. John Lee, attorney, Brett Keener, vice president of operations, and Shawna Bonini, operations engineer, appeared on behalf of White Rock Oil & Gas, LLC (White Rock).

BOARD ORDER NO. 92-2021

3. Docket 102-2021 and 103-2021 were combined for hearing.
4. The Board and its staff reviewed White Rock's change of operator request from XTO Energy Inc. (XTO) and Burlington Resources Oil & Gas Company LP (Burlington).
5. White Rock stated that its goal is to reduce its inactive wells by 10% every year. By March 31, 2021, White Rock plans to return 30 inactive XTO wells back to production.
6. Burlington and XTO each have \$50,000 multiple well plugging and reclamation bonds covering the wells being acquired for a total of \$100,000 in current bonding.
7. White Rock proposed increasing its existing \$100,000 multiple well plugging and reclamation bond to \$200,000 by providing an additional \$50,000 for each acquisition. A \$10,000 UIC plugging and reclamation bond was proposed to cover XTO's one injection well.
8. Due to the number of shut-in wells on White Rock's existing multiple well bond, the potential for significant future plugging liability, and White Rock's lack of responsiveness to administrative and field compliance issues, the Board discussed whether maintaining the current bonding level would provide adequate bond coverage for the two acquisitions.
9. The motion was made to double the current bonding amount covering the XTO and Burlington wells by requiring White Rock to post \$100,000 in bonding for each of the proposed transfers, for a total of \$200,000 in additional bonding, in accordance with ARM 36.22.1308(3).
10. 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

An increased additional multiple well bond is warranted by the facts to ensure performance of the duty to properly plug each dry or abandoned well covered by the bond as required by M.C.A. § 82-11-123(5).

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that White Rock must submit a multiple well plugging and reclamation bond in the amount of \$200,000 to cover the XTO and Burlington producing wells and a \$10,000 UIC plugging and reclamation bond to cover the injection well currently bonded to XTO.

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

IT IS FURTHER ORDERED that White Rock appear at the June 16, 2022, public hearing to provide an update of its activities including any reduction in abandonment liability by either plugging wells or returning wells to production.

BOARD ORDER NO. 92-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Corey Welter, Board Member

I dissent

Joseph Michael Weber, Board Member

Jeff Wivholm, 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 11 WELLS IN ROSEBUD COUNTY, MONTANA, IDENTIFIED IN THE APPLICATION FROM TYLER ROCKIES EXPLORATION LTD. TO TOMAHAWK OIL COMPANY, INC. AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA. BOARD RECORDS SHOW TYLER ROCKIES IS RESPONSIBLE FOR SEVEN PRODUCING WELLS COVERED BY A MULTIPLE WELL BOND AND FOUR INJECTION WELLS WHICH ARE BONDED SEPARATELY.

ORDER 94-2021

Docket No. 105-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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, Dave Brewer, president, Louis Brewer, secretary, and Christopher Brewer, treasurer, appeared on behalf of Tomahawk Oil Company, Inc. (Tomahawk).
3. The Board and its staff reviewed Tomahawk's change of operator request from Tyler Rockies Exploration Ltd.
4. Tomahawk proposed a separate \$50,000 multiple well plugging and reclamation bond that would cover 7 wells, which includes one producing well and six shut-in wells and a \$45,000 UIC plugging and reclamation bond that would cover four injection wells.
5. The Board determined that Tomahawk proposed plugging and reclamation bonds are adequate and in accordance with ARM 36.22.1308(3).
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 taking the following action is appropriate.

BOARD ORDER NO. 94-2021

Order

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 J&M SNAKE CREEK DISPOSAL, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT IMMEDIATELY PLUG AND ABANDON THE PICARD 5-12 SALTWATER DISPOSAL WELL, API # 25- 085-21354, LOCATED IN THE NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ OF SECTION 12, T29N-R58E, ROOSEVELT COUNTY, MONTANA.

ORDER 95-2021

Docket No. 106-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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. John Lee, attorney, appeared on behalf of J&M Snake Creek Disposal, Inc. (J&M).
3. J&M repaired the Picard 5-12 well, and the well passed the mechanical integrity test. J&M is in compliance with board rules.
4. Staff recommended the docket be dismissed.
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 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 Docket 106-2021 is dismissed.

BOARD ORDER NO. 95-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 SDOCO, LLC TO
APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY PENALTIES
SHOULD NOT BE CONSIDERED FOR FAILURE TO REMEDY THE
FIELD VIOLATIONS.

ORDER 96-2021

Docket No. 107-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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, and Freddy Cline, company representative, appeared on behalf of SDOCO, LLC (SDOCO).
3. SDOCO remedied the field violations and is in compliance with board rules.
4. Staff recommended the docket be dismissed.
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 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 Docket 107-2021 is dismissed.

BOARD ORDER NO. 96-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 PENALTIES SHOULD NOT BE CONSIDERED FOR FAILURE TO REMEDY THE FIELD VIOLATIONS.

ORDER 103-2021

Docket No. 108-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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. Mr. Chris Blount, president, appeared on behalf of Black Gold Energy Resource Development, LLC (Black Gold). Mr. Blount was aware that legal counsel was required to represent the company but stated that his attorney was unable to attend.
3. Per Board policy, because no duly licensed Montana attorney appeared to represent Black Gold, Black Gold has effectively failed to appear at the hearing.
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 Docket 108-2021 is continued until the February 17, 2022, public hearing.

BOARD ORDER NO. 103-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Jeff Wivholm, Board Member

I dissent

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 RICHLAND FACILITY, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY PENALTIES SHOULD NOT BE CONSIDERED FOR FAILURE TO REMEDY THE FIELD VIOLATIONS.

ORDER 104-2021

Docket No. 109-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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. Mr. Chris Blount, president, appeared on behalf of Black Gold Energy Richland Facility, Inc. (Black Gold). Mr. Blount was aware that legal counsel was required to represent the company but stated that his attorney was unable to attend.
3. Per Board policy, because no duly licensed Montana attorney appeared to represent Black Gold, Black Gold has effectively failed to appear at the hearing.
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 Docket 109-2021 is continued until the February 17, 2022, public hearing.

BOARD ORDER NO. 104-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Jeff Wivholm, Board Member

I dissent

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 AMERICAN MIDWEST OIL & GAS CORP. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT BEGIN TO PLUG AND ABANDON ITS WELLS IN TOOLE COUNTY, MONTANA PRIOR TO THE DECEMBER 2, 2021, PUBLIC HEARING. FAILURE TO BEGIN TO PLUG AND ABANDON THE WELLS MAY RESULT IN ADDITIONAL PENALTIES OR THE FORFEITURE OF THE PLUGGING AND RECLAMATION BOND IN ITS ENTIRETY, AS PERMITTED BY § 82-11-123(5), MCA.

ORDER 97-2021

Docket No. 110-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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 American Midwest Oil & Gas Corp. (American Midwest).
3. American Midwest has an outstanding fine in the amount of \$2,220. This fine amount includes \$220 for delinquent reporting and \$2,000 fine for failure to appear at the August 12, 2021 and October 14, 2021, public hearings.
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 the plugging and reclamation bonds for American Midwest Oil & Gas Corp. is hereby forfeited.

BOARD ORDER NO. 97-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 KYKUIT RESOURCES, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT BEGIN TO PLUG AND ABANDON ITS WELLS NOT CAPABLE OF PRODUCTION PRIOR TO THE DECEMBER 2, 2021, PUBLIC HEARING. FAILURE TO BEGIN TO PLUG AND ABANDON THE WELLS MAY RESULT IN ADDITIONAL PENALTIES OR THE FORFEITURE OF THE PLUGGING AND RECLAMATION BOND IN ITS ENTIRETY, AS PERMITTED BY § 82-11-123(5), MCA.

ORDER 98-2021

Docket No. 111-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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 Kykuit Resources, LLC (Kykuit).
3. Kykuit has an outstanding fine in the amount of \$5,940. This fine amount includes \$940 for delinquent reporting and \$5,000 fine for failure to appear at the February 4, 2021, April 8, 2021, June 10, 2021, August 12, 2021, and October 14, 2021, public hearings.
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 the plugging and reclamation bond for Kykuit Resources, LLC is hereby forfeited.

BOARD ORDER NO. 98-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 PAMECT OIL,
KEITH E. TYNER DBA AND LOWRANCE-TYNER OPERATING TO
APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT
IMMEDIATELY PLUG AND ABANDON ITS NON-PRODUCING
WELLS IN PONDERA AND TETON COUNTIES, MONTANA.

ORDER 99-2021

Docket No. 112-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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 Pamect Oil, Keith E. Tyner DbA (Pamect) and Lowrance-Tyner Operating (Lowrance-Tyner).
3. Don Lee and Darin Johnson, attorneys, appeared on behalf of clients who don't want the wells to be plugged and abandoned.
4. Pamect and Lowrance-Tyner has an outstanding fine of \$2,640. This fine amount includes a \$240 penalty for delinquent reporting, \$200 annual well injection operating fee for each company, and \$2,000 for failure to appear at the August 12, 2021 and October 14, 2021, 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 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. 99-2021

Order

IT IS THEREFORE ORDERED by the Board that Pamect and Lowrance-Tyner are fined \$1,000 for failure to appear at the December 2, 2021, public hearing.

IT IS FURTHER ORDERED by the Board that Pamect and Lowrance-Tyner must begin to plug and abandon its wells in Pondera and Teton Counties, Montana prior to the February 17, 2022, public hearing. Failure to begin to plug and abandon the wells may result in additional penalties or the forfeiture of the plugging and reclamation bond in its entirety, as permitted by § 82-11-123(5), MCA.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 FORWARD ENERGY, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY THEY SHOULD NOT BE REQUIRED TO PROVIDE A PLAN AND TIMELINE FOR THE PLUGGING AND ABANDONMENT OF ITS WELLS IN YELLOWSTONE COUNTY, MONTANA.

ORDER 100-2021

Docket No. 32-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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 Forward Energy, LLC (Forward).
3. Forward Energy requested additional time to come into compliance.
4. Board Order 84-2021 specifically stated that Forward and its legal counsel needed to appear at this 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 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 Forward is fined \$2,000 for failure to appear at the December 2, 2021, public hearing.

IT IS FURTHER ORDERED that Forward must show cause at the February 17, 2022, public hearing for why it should not immediately plug and abandon its wells in Yellowstone County, Montana.

BOARD ORDER NO. 100-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 HIGHLANDS MONTANA CORPORATION TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT BEGIN TO RESTORE THE LOCATION OF THE HELIOS 5-52 16-21 WELL, FILE MISSING COMPLETION DATA FOR THE HELIOS 5-52 16-32 WELL, AND BEGIN TO PLUG AND ABANDON THE HELIOS 5-52 16-22 WELL.

ORDER 101-2021

Docket No. 73-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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 Highlands Montana Corporation (Highlands).
3. Mr. Lee stated that the Helios 5-52 16-22 well has been plugged and reclaimed and Helios 5-52 16-21 well location has been restored.
4. Highlands submitted a statement that it was unable to obtain completion data due to personnel changes and requested the requirements to be waived for the Helios 5-52 16-32 well, as required by ARM 36.22.1013.
5. Staff recommended the docket be dismissed.
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 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 Docket 73-2021 is dismissed.

BOARD ORDER NO. 101-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, 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 ROLAND OIL
AND GAS TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT
SHOULD NOT IMMEDIATELY PLUG AND ABANDON ITS WELLS
IN GLACIER AND PONDERA COUNTIES, MONTANA.

ORDER 102-2021

Docket No. 90-2021

Report of the Board

The above entitled cause came on regularly for hearing on December 2, 2021, 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 appeared on behalf of Roland Oil and Gas (Roland).
3. Mr. Lee, attorney, stated that Roland's wells are capable of production and that Keesun Corporation and LaMarsa Corp. are working with Roland to take over the five wells in Pondera County. This would leave Roland with two wells in Glacier County.
4. Roland has an outstanding fine of \$3,400. This fine amount includes a \$400 penalty for delinquent reporting and \$3,000 for failure to appear at the August 6, 2020, December 3, 2020, and August 12, 2021, public hearings.
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.

Order

IT IS THEREFORE ORDERED by the Board that Roland is fined \$1,000 for failure to appear at the December 2, 2021, public hearing.

IT IS FURTHER ORDERED by the Board that Roland must begin to plug and abandon its wells in Glacier and Pondera Counties, Montana prior to the February 17, 2022, public hearing. Failure to begin to plug and abandon the wells may result in additional penalties or the forfeiture of the plugging and reclamation bond in its entirety, as permitted by § 82-11-123(5), MCA.

BOARD ORDER NO. 102-2021

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 2nd day of December, 2021.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

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