

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

IN THE MATTER OF PRIDE ENERGY COMPANY
MABLE WILSON 1 WELL LOCATED IN SECTION 33,
TOWNSHIP 27 NORTH, RANGE 59 EAST, ROOSEVELT
COUNTY, MONTANA

ADMINISTRATIVE ORDER 1-A-2015

Robert P. Wilson appeared before the board at its April 29, 2015 business meeting and expressed concerns about the Mable Wilson 1 well located in the SW¼NW¼ of Section 33, T27N, R59E Roosevelt County, Montana. The well has been reported by Pride Energy Company (Pride), the bonded operator, as a non-producing well since July, 2012.

A letter was sent to Pride by board staff on September 12, 2014 requesting a plan for future use of the Mable Wilson 1 and three other non-producing wells. Also requested was a copy of any surface use agreement that would allow Pride to convert a well to a disposal well, plugging schedules, or sundry notices describing alternate plans for future use. No response was received to this letter. A second letter was sent specific to the Mabel Wilson 1 well on March 31, 2015, and in response Pride submitted a sundry notice requesting additional time to evaluate possible recompletion or conversion to a salt water disposal well. No further explanation or schedule was included.

ARM 36.22.1303 states "When a well is no longer capable of production because the underlying reservoir or reservoirs are depleted and there is no possible future use for the well in supplemental recovery operations or for disposal facilities, the operator shall within one year plug and abandon the well as set forth in this subchapter, unless otherwise authorized by the petroleum engineer or his authorized agent."

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Pride Energy Company appear at the June 25, 2015 public hearing and show-cause, if it has, why it should not be required to immediately plug the Mable Wilson 1 well and restore the location.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 29th day of April, 2015.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman
Wayne Smith, Vice Chairman
Steven Durrett, Board Member
Ronald S. Efta, Board Member
John Evans, Board Member
Paul Gatzemeier, Board Member
Peggy Ames-Nerud, Board Member

ATTEST:

Jennifer Rath, Program Specialist

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

IN THE MATTER OF THE REQUESTED OF REHEARING OF
OASIS PETROLEUM NORTH AMERICA LLC DOCKET 352-2014
BY OMIMEX PETROLEUM, INC. IN ACCORDANCE WITH
SECTION 82-11-143, M.C.A.

ADMINISTRATIVE ORDER 2-A-2015
CORRECTED

Docket No. 352-2014

At the Board's April 29, 2015 meeting, the Board considered the dispute between Omimex Petroleum, Inc. (Omimex) and Oasis Petroleum North America LLC (Oasis) in regards to the pooling of surface acreage for the production of oil and associated natural gas from the Bakken/Three Forks Formation in Sections 25, 26, 35, and 36 in T27N, R59E, Roosevelt County, Montana. This was a designated temporary spacing unit by Montana Board of Oil and Gas Conservation Order 176-2012. Upon the successful completion of its Reveille Federal 2759 14-26H well, the spacing unit was designated a permanent spacing unit by Board Order 28-2015.

Oasis further demonstrated that it made a good faith attempt to voluntarily pool the interests within the spacing unit and that Omimex had refused to agree to pay its share of the costs of drilling, completion, and operation. The request by Oasis for pooling of interests within the spacing unit and imposition of risk penalties with respect to the Reveille Federal 2759 14-26H well as requested in Docket 352-2014 was approved under Board Order 29-2015.

Omimex filed a request for rehearing of Docket 352-2014 under §82-11-143 MCA. The Board heard Docket 352-2014 on December 4, 2014 and on February 26, 2015. No new evidence that the board had not heard during the previous hearings was presented.

The request for rehearing of Docket 352-2014 died due to lack of motion.

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the motion to rehear Docket 352-2014 is denied.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 29th day of April, 2015.

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Peggy Ames-Nerud, Board Member

ATTEST:

Jennifer Rath, Program Specialist

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

IN THE MATTER OF WOJAHN A 5-2 WELL AND THE MICHELS
A 8-3 WELL OPERATED BY CUSTOM CARBON PROCESSING,
INC. IN THE FAILURE TO PROPERLY MAINTAIN WELL SITES
LOCATED IN TOWNSHIP 13 NORTH, RANGE 60 EAST,
SECTION 2 & 3, WIBAUX COUNTY, MONTANA

ADMINISTRATIVE ORDER 3-A-2015

On March 4, 2015, numerous violations were discovered at the Wojahn A 5-2 well located in the S½SW¼NW¼ of Section 2, T13N, R60E and the Michels A 8-3 well located in the S½SE¼NE¼ of Section 3, T13N, R60E, Wibaux County, Montana.

Violations identified include:

- The Wojahn A 5-2 – incorrect well identification, lack of berms at tank battery, junk, and lack of weed control.
- The Michels A 8-3 – incorrect well identification, improper berms or diking, lack of weed control, and significant debris on location which is blowing into adjacent fields.

Custom Carbon Processing, Inc. was notified of the violations through telephone contact and by mail on March 12, 2015 and April 29, 2015. No remedies had been initiated at the time of discussion.

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the violations be remedied prior to the May 21, 2015 hearing deadline, or substantial progress made; otherwise, Custom Carbon Processing, Inc. will be scheduled for the June 25, 2015 hearing, at which time additional penalties will be considered.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 29th day of April, 2015.

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Peggy Ames-Nerud, Board Member

ATTEST:

Jennifer Rath, Program Specialist

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

IN THE MATTER OF STATE 7-16 WELL OPERATED BY
COASTAL PETROLEUM COMPANY IN THE FAILURE TO
PROPERLY RECLAIM A WELL SITE LOCATED IN TOWNSHIP
36 NORTH, RANGE 36 EAST, SECTION 16, VALLEY COUNTY,
MONTANA

ADMINISTRATIVE ORDER 4-A-2015

The State 7-16 well located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 16, T36N, R36E, Valley County, Montana was plugged and abandoned on October 18, 2012, and the well site has not been reclaimed. Coastal Petroleum Company was notified of the violation by certified mail on March 30, 2015. The certified letter was returned as undeliverable.

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the required reclamation be undertaken prior to the May 21, 2015 hearing deadline or Coastal Petroleum Company will be scheduled for the June 25, 2015 hearing, at which time additional penalties will be considered.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 29th day of April, 2015.

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