

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 122-2015, WHICH CREATED A TEMPORARY SPACING UNIT COMPRISED OF SECTIONS 4 AND 9, T25N-R59E, RICHLAND COUNTY, MONTANA, FOR A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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 AUGUST 14, 2018.

ORDER 19-2017

Docket No. 20-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 122-2015 is hereby amended to provide that drilling operations must commence not later than August 14, 2018.

BOARD ORDER NO. 19-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 123-2015, WHICH CREATED A TEMPORARY SPACING UNIT COMPRISED OF SECTIONS 5 AND 8, T25N-R59E, RICHLAND COUNTY, MONTANA, FOR A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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 JUNE 19, 2018.

ORDER 20-2017

Docket No. 21-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 123-2015 is hereby amended to provide that drilling operations must commence not later than June 19, 2018.

BOARD ORDER NO. 20-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 120-2015, WHICH CREATED A TEMPORARY SPACING UNIT COMPRISED OF SECTIONS 31 AND 32, T26N-R59E, RICHLAND COUNTY, MONTANA, FOR A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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 JUNE 25, 2018.

ORDER 21-2017

Docket No. 22-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 120-2015 is hereby amended to provide that drilling operations must commence not later than June 25, 2018.

BOARD ORDER NO. 21-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 121-2015, WHICH CREATED A TEMPORARY SPACING UNIT COMPRISED OF SECTIONS 21 AND 28, T26N-R59E, RICHLAND COUNTY, MONTANA, FOR A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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 JUNE 25, 2018.

ORDER 22-2017

Docket No. 23-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 121-2015 is hereby amended to provide that drilling operations must commence not later than June 25, 2018.

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.

BOARD ORDER NO. 22-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 116-2015, WHICH CREATED A TEMPORARY SPACING UNIT COMPRISED OF SECTIONS 9 AND 16, T26N-R59E, RICHLAND COUNTY, MONTANA, FOR A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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 JUNE 25, 2018.

ORDER 23-2017

Docket No. 24-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 116-2015 is hereby amended to provide that drilling operations must commence not later than June 25, 2018.

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.

BOARD ORDER NO. 23-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 117-2015, WHICH CREATED A TEMPORARY SPACING UNIT COMPRISED OF SECTIONS 8 AND 17, T26N-R59E, RICHLAND COUNTY, MONTANA, FOR A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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 JUNE 25, 2018.

ORDER 24-2017

Docket No. 25-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 117-2015 is hereby amended to provide that drilling operations must commence not later than June 25, 2018.

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.

BOARD ORDER NO. 24-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 262-2014, WHICH CREATED A TEMPORARY SPACING UNIT COMPRISED OF SECTIONS 14 AND 23, T27N-R57E, ROOSEVELT COUNTY, MONTANA, FOR A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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 AUGUST 14, 2018.

ORDER 25-2017

Docket No. 26-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 262-2014 is hereby amended to provide that drilling operations must commence not later than August 14, 2018.

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.

BOARD ORDER NO. 25-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 141-2015, WHICH CREATED A TEMPORARY SPACING UNIT COMPRISED OF SECTIONS 15 AND 22, T27N-R57E, ROOSEVELT COUNTY, MONTANA, FOR A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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 AUGUST 13, 2018.

ORDER 26-2017

Docket No. 27-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 141-2015 is hereby amended to provide that drilling operations must commence not later than August 13, 2018.

BOARD ORDER NO. 26-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 380-2011 TO AUTHORIZE THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3 AND 10, T27N-R57E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 27-2017

Docket No. 28-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 380-2011 is hereby amended to provide that drilling operations must commence not later than June 15, 2018.

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.

BOARD ORDER NO. 27-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 KRAKEN OIL & GAS LLC TO DESIGNATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 13 AND 24, T28N-R58E AND ALL OF SECTIONS 18 AND 19, T28N-R59E, ROOSEVELT COUNTY, MONTANA, FOR THE PURPOSES OF DRILLING AN ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ORIENTED IN A NORTH-SOUTH AZIMUTH PROXIMATE TO THE COMMON BOUNDARY BETWEEN EXISTING PERMANENT SPACING UNITS AND THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 28-2017

Docket No. 29-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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. AgriBank submitted a protest letter, but was not present at the hearing.
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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 13 and 24, T28N-R58E and all of Sections 18 and 19, T28N-59E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well oriented in a north-south azimuth proximate to the common boundary between existing permanent spacing units. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.

BOARD ORDER NO. 28-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 AZURE SKY, LLC, TO DRILL THE AZURE 1-1 SWD LOCATED IN THE SW¹/₄-SW¹/₄ OF SECTION 11 (250 FWL AND 1120 FSL), T27N-R59E, ROOSEVELT COUNTY, MONTANA (WILDCAT) FOR A SALTWATER DISPOSAL WELL IN THE DAKOTA FORMATION AT A DEPTH OF APPROXIMATELY 4894-5530 FT. AN AQUIFER EXEMPTION IS BEING REQUESTED AS THE WATER IN THE INJECTION FORMATION CONTAINS LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS. STAFF NOTES THIS APPLICATION IS ELIGIBLE FOR PLACEMENT ON THE DEFAULT DOCKET.

ORDER 29-2017

Docket No. 58-2016

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of ARM 36.22.1403 have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Azure Sky, LLC is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 29-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 MONTANA OIL
FIELD ACQUISITION I, LLC TO APPEAR AND SHOW CAUSE, IF
ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND
SHOULD NOT BE FORFEITED FOR FAILURE TO PLUG ITS WELLS
OR TO PROVIDE A PLAN FOR PLUGGING ITS WELLS.

ORDER 30-2017

Docket No. 30-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Montana Oil Field Acquisition I, LLC (MOFA).
3. At the June 15, 2016, business meeting, MOFA was brought to the Board for spill violations. MOFA did not achieve compliance within the agreed 45 days and a daily fine of \$250 was instated until compliance was achieved for all three wells. MOFA has not achieved compliance. The fine was stopped at the December 14, 2016, business meeting. The total fine amounts to \$34,000. MOFA is also not in compliance with production reporting requirements.
4. At the December 14, 2016, business meeting the Board directed staff to approve the change of operator request from MOFA to Robert Hawkins, Inc. (Hawkins). Hawkins is now the operator of 31 wells previously operated by MOFA, and MOFA remains the operator of two leases, which include four federal and two state wells.
5. MOFA has not paid the outstanding fine in the amount of \$34,000, has not filed production reports, as required under ARM 36.22.1242, and has not provided a plan and timeline for the plugging and abandonment of its wells at the April 6, 2017, public hearing, as ordered by Board Order 2-2017.
6. Staff recommended that the plugging and reclamation bond of MOFA be forfeited for failure to begin to plug its wells or to provide a plan for plugging its wells
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 of Oil and Gas Conservation of the State of Montana 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.

BOARD ORDER NO. 30-2017

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the plugging and reclamation bond for Montana Oil Field Acquisition I, LLC is hereby forfeited.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 MOUNTAIN PACIFIC GENERAL INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD NOT BE FORFEITED FOR FAILURE TO PLUG ITS WELLS OR TO PROVIDE A PLAN FOR PLUGGING ITS WELLS.

ORDER 31-2017

Docket No. 31-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Mountain Pacific General Inc. (MPG).
3. MPG has not paid the outstanding fine in the amount of \$1,000, failed to increase its plugging and reclamation bond to \$250,000, as ordered by Board Orders 1-A-2010 and 52-2016, and did not provide a plan and timeline for the plugging and abandonment of its wells at the April 6, 2017, public hearing, as ordered by Board Order 3-2017.
4. Staff recommended that the plugging and reclamation bond of MPG be forfeited for failure to begin to plug its wells or to provide a plan for plugging its wells
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 of Oil and Gas Conservation of the State of Montana 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 of Oil and Gas Conservation of the State of Montana that the plugging and reclamation bond for Mountain Pacific General In. is hereby forfeited.

BOARD ORDER NO. 31-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO CLEAN UP A SPILL AT THE INDIAN MOUND 1 WELL LOCATED IN THE SW $\frac{1}{4}$ SW $\frac{1}{4}$ OF SECTION 15, T23N-R55E, RICHLAND COUNTY, MONTANA.

ORDER 32-2017

Docket No. 32-2017

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 Black Gold Energy Resource Development, LLC (Black Gold).
3. At the August 10, 2016, business meeting, Black Gold was brought to the Board for an unreported significant spill violation that took place on or before June 26, 2016, at the Indian Mound 1 SWD well located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 15, T23N, R55E, Richland County, Montana.
4. Black Gold failed to file a spill report and failed to make any cleanup progress on the spill and was then docketed for the October 27, 2016, hearing to show cause why additional penalties should not be assessed for failure to clean up the spill.
5. At the October 27, 2016, hearing, Chris Blount appeared and stated compliance would be achieved prior to the deadline of December 1, 2016, after which a \$250 fine per day was to be instated until compliance was achieved for the well.
6. Black Gold did not achieve compliance prior to the deadline and the daily fine was instated. As of today, the total fine amounts to \$49,000.
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 of Oil and Gas Conservation of the State of Montana 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 of Oil and Gas Conservation of the State of Montana that Black Gold Energy Resource Development, LLC's injection permit for the Indian Mound 1 well is suspended until further order of the Board and that no additional waste or materials be transported to or stored at the wellsite.

IT IS FURTHER ORDERED that Black Gold Energy Resource Development, LLC must submit a written plan of its action to remedy the violation within 15 days of this order.

IT IS FURTHER ORDERED that Black Gold Energy Resource Development, LLC remedy the violations on or before August 10, 2017, public hearing.

IT IS FURTHER ORDERED that the \$250 fine for each day after December 1, 2016, that the violations remain unresolved will remain in effect until compliance is confirmed by inspection.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 K2 AMERICA CORPORATION TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD NOT BE FORFEITED FOR FAILURE TO PROVIDE A PLAN AND TIMELINE FOR PLUGGING ITS WELLS.

ORDER 33-2017

Docket No. 338-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 K2 America Corporation (K2).
3. Kimberly Yeomans, employee of K2, did not appear at the hearing but submitted a letter requesting additional time to plug or transfer the wells that remain on its plugging and reclamation bond.
4. Since June 2015, this docket has been continued twice, each time K2 has never appeared at the show cause hearing and each time writes a letter requesting additional time to plug wells and turn in delinquent production reports.
5. K2 filed delinquent production reports prior to the hearing, but compliance with reporting requirements was required by Board Order 24-2016.
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 of Oil and Gas Conservation of the State of Montana concludes that the respondent demonstrated the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

BOARD ORDER NO. 33-2017

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Docket 338-2014 is continued until the August 10, 2017, public hearing.

IT IS FURTHER ORDERED that K2 America Corporation must submit a satisfactory plan of its intent to plug and abandon or transfer its wells and must submit the minutes from its Board of Director's meeting that discussed its plan for its wells prior to the August 10, 2017, public hearing.

IT IS FURTHER ORDERED that this matter will be reviewed at the August 10, 2017, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, 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 STORM CAT ENERGY (USA) OPERATING CORPORATION TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT PROVIDE A PLAN AND TIMELINE FOR THE PLUGGING AND ABANDONMENT OR TRANSFER OF ITS THREE WELLS AND WHY ADDITIONAL PENALTIES SHOULD NOT BE ASSESSED FOR FAILURE TO PAY THE OUTSTANDING FINE OF \$1,340, AND APPEAR AT THE AUGUST 11, 2016, PUBLIC HEARING.

ORDER 34-2017

Docket No. 49-2016

Report of the Board

The above entitled cause came on regularly for hearing on June 15, 2017, 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 Storm Cat Energy (USA) Operating Corporation (Storm Cat), but informed staff that the bankruptcy court has not issued the final sale order to Summit Gas Resources (Summit).

3. Storm Cat will transfer the MT State 9-42 36-06CK and the Remington 10-43 05-07CK wells to Summit.

4. Storm Cat transferred the Porter 10-43 06-06CK well to the mineral and surface owner, Bruce Porter, for use as a water well.

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 of Oil and Gas Conservation of the State of Montana concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Docket 49-2016 is continued until the August 10, 2017, public hearing.

BOARD ORDER NO. 34-2017

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2017.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist