

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

IN THE MATTER OF D&A WATER DISPOSAL LLC FOR
FAILURE TO BOND THE BN 12-11 WELL LOCATED IN
SECTION 11, TOWNSHIP 9 NORTH, RANGE 58 EAST,
FALLON COUNTY, MONTANA

ADMINISTRATIVE ORDER 2-A-2017

Bensun Energy, LLC (Bensun) is the bonded operator of the BN 12-11 well located in SW NW of Section 11, T9N-R58E, Fallon County, Montana. On May 15, 2017, a change of operator request to transfer the well from Bensun to D&A Water Disposal LLC (D&A) was received.

ARM 36.22.1308 requires that an owner or operator of a well or wells provide a plugging and reclamation bond. The transfer from Bensun was not approved because D&A did not submit a plugging and reclamation bond to cover the well. D&A was notified of the bonding requirement subsequent to May 15, 2017 and had not submitted a bond as of October 25, 2017.

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that D&A Water Disposal LLC immediately cease operation of the BN 12-11 well.

IT IS FURTHER ORDERED that D&A Water Disposal LLC submit a plugging and reclamation bond and receive approval from staff prior to operating the well.

Dated this 25th day of October, 2017

Montana Board of Oil and Gas Conservation

James W. Halvorson, Administrator