

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

IN THE MATTER OF INTERSTATE EXPLORATION, LLC  
FOR FAILURE TO SUBMIT WELL COMPLETION  
DOCUMENTS FOR THE NELSON 10-1 WELL LOCATED  
IN SECTION 6, TOWNSHIP 14 NORTH, RANGE 60 EAST,  
WIBAUX COUNTY AND THE NELSON 2-1 WELL  
LOCATED IN SECTION 30, TOWNSHIP 14 NORTH,  
RANGE 60 EAST, WIBAUX COUNTY, MONTANA, IN  
ACCORDANCE WITH ARM 36.22.1013.

ADMINISTRATIVE ORDER 1-A-2018  
CORRECTED

Interstate Exploration, LLC (Interstate) is the bonded operator of the Nelson 10-1 well located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 6, T14N, R60E Wibaux County and the Nelson 2-1 well located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 30, T14N, R60E Wibaux County, Montana. The Nelson 10-1 well was drilled on June 30, 2015 and the Nelson 2-1 well was drilled on November 12, 2014.

In September 2017, Board staff requested well completion data, required by ARM 36.22.1013. ARM 36.22.1013 requires an operator of a well to file completion reports, well logs, analyses, reports and surveys within 30 days of the well completion. Interstate responded to the letter by submitting the well completion data except for the geological reports. Board staff reached out to Interstate regarding the missing geological reports and Interstate stated that the geological reports could not be found.

Communication with Interstate by Board staff on December 6, 2017, and January 18, 2018, informed Interstate that it must write a letter to the Board explaining why it is unable to fully meet the requirements of ARM 36.22.1013, as only the Board can relieve an operator of the filing requirements. In the January email to Interstate, Board staff requested Interstate's letter be received by February 13, 2018, so it could be presented to the Board at the February 14, 2018, business meeting. No response was received. At the Board's February 14, 2018, business meeting, the Board assessed a \$500 fine against Interstate for failure to comply with Board's rules.

IT IS THEREFORE ORDERED by the Board that Interstate is fined \$500 for failure to submit the required well completion data.

IT IS FURTHER ORDERED that Interstate must submit the geological reports or must submit a letter requesting an exception to ARM 36.22.1013.

IT IS FURTHER ORDERED that Interstate must submit the fine and geological reports or exception request prior to March 15, 2018, or Interstate will be docketed for the April 19, 2018, public hearing.

Dated this 14<sup>th</sup> day of February, 2018

Montana Board of Oil and Gas Conservation

---

James W. Halvorson, Administrator