

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

IN THE MATTER OF BENSUN ENERGY, LLC FOR
FAILURE TO PROPERLY MAINTAIN THE LOUCKS 33-27
WELL SITE LOCATED IN SECTION 27, TOWNSHIP 36
NORTH, RANGE 52 EAST, SHERIDAN COUNTY,
MONTANA, IN ACCORDANCE WITH ARM 36.22.1104
AND FOR FAILURE TO FILE CORRECT PRODUCTION
REPORTS, IN ACCORDANCE WITH ARM 36.22.1242.

ADMINISTRATIVE ORDER 2-A-2018

Board Order 10-2018 required staff provide a progress report for field violations that were outstanding for Bensun Energy, LLC (Bensun) at the April 18, 2018, business meeting.

At the April 18, 2018, business meeting, staff reported that the field violations identified at the February 15, 2018, hearing had been remedied, however, there were new field and reporting violations.

On March 12, 2018, a field inspector discovered a saltwater spill at the Loucks 33-27 well located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 27, T36N, R52E, Sheridan County, Montana. The spill was contained in a dike and was estimated to be about 60-70 barrels of saltwater. Staff notified Bensun of the spill upon discovery.

In accordance with ARM 36.22.1103, a written report of the spill and plan for clean-up is required within five working days of the spill. The report was received five days after Bensun was notified of the spill by Board staff.

On April 11, 2018, Bensun submitted production reports. It was found that some reports were not filed and others contained errors. On April 13, 2018, staff contacted Bensun and requested that the errors be corrected and that the remaining delinquent reports be submitted. Bensun indicated that corrected reports would be submitted the following week. No reports were received.

On April 16, 2018, the field inspector returned to the Loucks 33-27 well site and no cleanup had taken place.

IT IS THEREFORE ORDERED by the Board that Bensun must remedy the field violations and submit any delinquent and corrected production reports prior to May 10, 2018, or appear at the June 14, 2018, public hearing, at which time additional penalties may be considered, including an order directing cessation of well operations until all violations are remedied.

Dated this 18th day of April, 2018

Montana Board of Oil and Gas Conservation

James W. Halvorson, Administrator