

MEMORANDUM

TO: Board of Oil and Gas Conservation

FROM: Rulemaking Subcommittee

DATE: June 13, 2018

RE: Senate Bill 299 Rulemaking

Senate Bill 299 (2017) establishes a process for disclosure of chemicals utilized in hydraulic fracturing and for validation of trade secret requests. Portions of Board rules contained in ARM 36.22.608, 36.22.1015, and 36.22.1016 conflict with the statutory language which became effective October 1, 2017. Rulemaking is required to resolve inconsistencies between rules and the new statute. The board is considering changes to its hydraulic fracturing rules beyond those specifically required under SB 299.

Over the past eight months, the board received public comment, both oral and written, at scheduled business meetings and at scoping meetings in Billings on October 24, 2017 and in Sidney on November 1, 2017. A subcommittee was established to consider all comments and to draft proposed rule changes to submit to the board for initiation of the formal rulemaking process. Comments continued to be filed after the scoping meetings were held, which the subcommittee also reviewed and considered prior to developing its final recommendations.

The board's statutory authority and direction, along with current oil and gas regulations, were reviewed to place the rules related to hydraulic fracturing in context with other regulatory requirements. Among the areas reviewed were notice requirements and opportunities for public involvement when an application for permit to drill is filed, steps taken during the drilling permit review and fracturing approval process, and the data that is evaluated as part of the board's Montana Environmental Policy Act (MEPA) analysis.

Technical papers received during the scoping process were reviewed as well as industry-based critiques of some of the papers. Other published materials such as the US EPA final report on hydraulic fracturing were considered, and disclosure requirements in near-by states were discussed.

The subcommittee met with individuals knowledgeable in water chemistry, water analysis procedures, and the characteristics of aquifers in Montana. The purpose of these meetings was to gather background information regarding water testing procedures and potential threats to aquifers from oil and gas drilling and production. Members of the subcommittee and other board members also had the opportunity to tour an active hydraulic fracturing operation last month to gain first hand-knowledge of the process.

For the purpose of rulemaking efficiency, the subcommittee was also given the task of proposing rule changes to forms for filing requests and reporting. These forms have been modified for clarity and conformance.

The proposed rules and form changes are presented to the board for approval to begin the formal rulemaking process. It should be noted that the Department of Natural Resources review is required prior to publication by the Secretary of State's office. Once departmental review is complete, dates for a public hearing and written comment period will be set. Should substantive changes be suggested during review, a revised draft notice will be brought to the board for approval at a future meeting.

Respectfully Submitted:

Corey Welter

Dennis Trudell

Paul Gatzemeier

Attachments: Original rules showing proposed changes
§ 82-10-600, MCA, et seq. (established under SB 299)
Draft rulemaking notice with revised forms

36.22.307 ADOPTION OF FORMS

(1) The forms hereinafter listed are adopted by reference and made a part of these rules for all purposes, and the same must be used as herein directed in giving notice and in making reports and requests to the board. Copies of printed forms will be supplied by the board on request.

~~Address requests for forms to: Board of Oil and Gas Conservation, 1625 Eleventh Avenue, Helena, Montana, 59620-1601 or 2535 St. Johns Avenue, Billings, Montana, 59102.~~

- (a) Form No. 1 Organization Report
- (b) Form No. 2 Sundry Notice and Report of Wells
- (c) Form No. 3 Bond
- (d) Form No. 4 Completion Report
- (e) Form No. 5 Report of Subsurface Injections
- (f) Form No. 6 Report of Production
- (g) Form No. 8 Refiner's Monthly Report of Receipts and Disposition of Crude Oil
- (h) Form No. 9 Monthly Gas Report
- (i) Form No. 10 Gasoline or Other Extraction Plant
- (j) Form No. 10A Continuation Sheet Form 10
- ~~(k) Form No. 13 Producers Certificate of Compliance and Authorization to Transport Oil and Gas from Lease~~
- ~~(k)~~ Form No. 14 Certificate of Deposit Cash Bond
- ~~(m)~~~~(l)~~ Form No. 14-2A Assignment Agreement
- ~~(n)~~~~(m)~~ Form No. 14-2B Letter of Credit
- ~~(o)~~~~(n)~~ Form No. 18 Domestic Well Bond and Lien
- ~~(p)~~~~(o)~~ Form No. 19 Release Agreement
- ~~(q)~~~~(p)~~ Form No. 20 Notice of Intent to Change Operator
- ~~(r)~~~~(q)~~ Form No. 22 Application for Permit (Drill, Deepen or Re-Enter)
- ~~(s)~~~~(r)~~ Form No. 23 Application for Permit (Earthen Pit or Pond)

History: 82-11-111, MCA; IMP, 2-4-201, MCA; Eff. 12/31/72; AMD, 1977 MAR p. 549, Eff. 9/4/77; AMD, 1982 MAR p. 1398, Eff. 7/16/82; AMD, 1984 MAR p. 931, Eff. 6/15/84; AMD, 1990 MAR p. 305, Eff. 2/9/90; AMD, 1992 MAR p. 654, Eff. 4/1/92; AMD, 2000 MAR p. 3542, Eff. 12/22/00; AMD, 2000 MAR p. 3542, Eff. 12/22/00; AMD, 2009 MAR p. 2165, Eff. 11/13/09.

~~36.22.1244 PRODUCER'S CERTIFICATE OF COMPLIANCE~~

~~(1) A certificate of compliance for the transportation of oil and gas from a lease is required by the board to be filed on Form No. 13 in accordance with instructions thereon.~~

History: 82-11-111, MCA; IMP, 82-11-123, MCA; Eff. 12/31/72; AMD, 1982 MAR p. 1398, Eff. 7/16/82.

36.22.608 WELL STIMULATION ACTIVITIES COVERED BY DRILLING PERMIT

(1) Well completions which include hydraulic fracturing, acidizing, or other chemical stimulation done to complete a well are considered permitted activities under the drilling permit for that well only if the processes, anticipated volumes, and types of materials planned for use are expressly described in the permit application for that well.

(2) For wildcat or exploratory wells or when the operator is unable to determine that hydraulic fracturing, acidizing, or other chemical treatment will be done to complete the well, the operator must submit a notice of intent to stimulate or chemically treat a well on Form No. 2 prior to commencing such activities provided that:

(a) the written information describing the fracturing, acidizing, or other chemical treatment must be provided to the board's staff at least 48 hours before commencement of well stimulation activities.

(3) For the purpose of this section, an adequate description of the proposed well stimulation includes:

(a) the estimated total volume of treatment to be used;

(b) ~~the trade name or generic name of the principle components or chemicals;~~ disclosure of fracturing fluids in accordance with 82-10-603, MCA;

(c) the estimated amount or volume of the principle components such as viscosifiers, acids, or gelling agents;

(d) the estimated weight or volume of inert substances such as proppants and other substances injected to aid in well cleanup, either for each stage of a multistage job or for the total job; and

(e) the maximum anticipated treating pressure or a written description of the well construction specifications which demonstrate that the well is appropriately constructed for the proposed fracture stimulation.

~~(4) In lieu of a well-specific design the owner, operator, or service company may provide:~~

~~(i) a copy of a final design of well treatment actually used for similar wells and which reflects the likely design for the well to be permitted; or~~

~~(ii) a prefiled generic design submitted for specific geologic formations, geographic areas, or well types likely to be used in a particular well.~~

History: 82-11-111, MCA; IMP, 82-11-111, 82-11-122, MCA; NEW, 2011 MAR p. 1686, Eff. 8/26/11.

36.22.1015 DISCLOSURE OF WELL STIMULATION FLUIDS

(1) The owner or operator of a well shall, upon completion of the well, provide the board, on its Form No. 4 for a new well or Form No. 2 for an existing well:

- (a) a description of the interval(s) or formation treated;
- (b) the type of treatment pumped (acid, chemical, fracture stimulation); and
- (c) the amount and type(s) of material pumped and the rates and maximum pressure during treatment.

(2) For hydraulic fracturing treatments the description of the amount and type of material used must include: the disclosure of fracturing fluids in accordance with 82-10-603, MCA, with the actual rate or concentration of each ingredient or additive used for treatment.

~~(a) a description of the stimulation fluid identified by additive type (e.g. acid, biocide, breaker, brine, corrosion inhibitor, crosslinker, demulsifier, friction reducer, gel, iron control, oxygen scavenger, pH adjusting agent, proppant, scale inhibitor, surfactant); and~~

~~(b) the chemical ingredient name and the Chemical Abstracts Service (CAS) Registry number, as published by the Chemical Abstracts Service, a division of the American Chemical Society (www.eas.org), for each ingredient of the additive used. The rate or concentration for each additive shall be provided in appropriate measurement units (pounds per gallon, gallons per thousand gallons, percent by weight or percent by volume, or parts per million).~~

(3) To comply with the requirements of this section, the owner or operator may submit:

- (a) the service contractor's job log;
- (b) the service company's final treatment report (without any cost/pricing data);
- (c) an owner or operator's well treatment job log; or
- (d) other report providing the above required information.

(4) The administrator may waive all or a portion of the requirements in (2) or (3) of this rule if:

- (a) the owner or operator demonstrates that it has posted the required information to the Interstate Oil and Gas Compact Commission/Groundwater Protection Council hydraulic fracturing web site (FracFocus.org); or
- (b) a successor web site to FracFocus.org or other publically accessible Internet information repositories that the board may choose to accept.

History: 82-11-111, MCA; IMP, 82-11-111, MCA; NEW, 2011 MAR p. 1686, Eff. 8/26/11.

36.22.1016 PROPRIETARY CHEMICALS AND TRADE SECRETS

(1) As provided in 30-14-402, MCA, where the formula, pattern, compilation, program, device, method, technique, process, or composition of a chemical product is unique to the owner or operator or service contractor and would, if disclosed, reveal methods or processes entitled to protection as trade secrets, ~~such a chemical need not be disclosed to the board or staff. The~~ the owner, operator, or service contractor may ~~identify the trade secret chemical or product by trade name, inventory name, chemical family name, or other unique name and the quantity of such constituent(s) used.~~ request that the administrator withhold the information in accordance with 82-10-604, MCA.

(2) If necessary to respond to a spill or release of a trade secret product the ~~owner, operator, or service contractor must provide to the board or staff, upon request, a list of the chemical constituents contained in a trade secret product. The~~ administrator may request information be provided orally or be provided directly to a laboratory or other third party performing analysis for the board. ~~Board members, board staff, and any~~ Any third parties receiving trade secret information on behalf of the board may be required to execute a nondisclosure agreement.

(3) The owner, operator, or service contractor must also provide the chemical constituents of a trade secret product to a health professional who provides a written statement that knowledge of the chemical constituents of such product is needed for purposes of diagnosis or treatment of an individual and the individual being diagnosed or treated may have been exposed to the chemical concerned. The health professional may not use the information for purposes other than the health needs asserted in the statement of need, and may be required to execute a nondisclosure agreement.

(4) Where a health professional determines that a medical emergency exists and the chemical constituents of a trade secret product are necessary for emergency treatment, the owner, operator, or service contractor shall immediately disclose the chemical constituents of a product to that health professional upon a verbal acknowledgement by the health professional that such information shall not be used for purposes other than the health needs asserted and that the health professional shall otherwise maintain the information as confidential. The owner or operator or service contractor may request a written statement of need, and a confidentiality agreement from a health professional as soon as circumstances permit.

History: 82-11-111, MCA; IMP, 82-11-111, MCA; NEW, 2011 MAR p. 1686, Eff. 8/26/11.

Montana Code Annotated 2017

TITLE 82. MINERALS, OIL, AND GAS

CHAPTER 10. OIL AND GAS -- GENERAL PROVISIONS

Part 6. Disclosure of Fracturing Fluids

Legislative Findings -- Purpose

82-10-601. Legislative findings -- purpose. The purpose of this part is to provide a fair process for disclosure of fracturing fluids to facilitate transparency, while protecting valuable trade secrets and allowing well owners, operators, and service companies to protect their right to obtain an advantage over competitors.

Definitions

82-10-602. Definitions. For the purposes of this part, the following definitions apply:

- (1) "Administrator" means the administrator of the division of oil and gas conservation.
- (2) "Fracturing" means the introduction of fluid that may carry in suspension a propping agent under pressure into a formation containing oil or gas for the purpose of creating cracks in the formation to serve as channels for fluids to move to or from the well bore.
- (3) "Systems approach" means the reporting of the identity of chemicals separately from the additive products they go into or the reporting of fracturing chemicals without attribution to the specific products in the fracturing fluid.

Fracturing Fluid Disclosure -- Requirements

82-10-603. Fracturing fluid disclosure -- requirements. (1) The board of oil and gas conservation shall require the disclosure of fracturing fluids in accordance with [82-10-604](#) and this section.

- (2) The fracturing fluid disclosure required by subsection (1) must include:
 - (a) except as provided in [82-10-604](#), the chemical compound name and the chemical abstracts service registry number of the ingredients, including any hazardous component listed on a material safety data sheet as defined in [50-78-102](#), the product name, and the type of additives used; and
 - (b) the proposed rate or concentration for each ingredient or additive, which may be expressed as percent by weight, percent by volume, parts per million, or parts per billion.
- (3) Except as provided in [82-10-604](#)(4)(b), the administrator shall post the information submitted pursuant to subsection (2) to the board of oil and gas conservation's website or to a website established for education and disclosure of fracturing fluids hosted by a nonprofit organization dedicated to ground

water protection with members consisting of state ground water regulatory agencies, the interstate oil and gas compact commission, or both or their successors.

Confidentiality Request For Trade Secrets

82-10-604. Confidentiality request for trade secrets. (1) (a) If the owner or operator or service company providing fracturing services for a well believes that disclosing the complete composition of the fracturing fluid, including a specific ingredient's identity, concentrations, or both required in accordance with 82-10-603(2), will, if disclosed, reveal information entitled to protection as trade secrets as defined in 30-14-402 that should be exempt from public disclosure, the owner, operator, or service company may request that the administrator withhold the information.

(b) When an owner, operator, or service company requests that information be withheld, the department shall charge a fee of no more than \$25 per ingredient or concentration for the request.

(2) To meet the requirement of subsection (1), the owner, operator, or service company shall provide the administrator with information demonstrating all of the following:

(a) that the ingredient identity, concentrations, or both, as appropriate, have not appeared in a public source or been publicly disclosed:

(i) pursuant to a federal or state law or regulation;

(ii) in a professional trade publication; or

(iii) through any other media or publication available to the public or competing oil and gas owners, operators, or service companies;

(b) to what extent the identity of the ingredient, its concentrations, or both, as appropriate, are known within a company and how the information is housed in the company and what steps employees, officers, agents, and directors take to prevent disclosure of the information;

(c) whether any other federal or state entity has determined that the ingredient identity, concentrations, or both, as appropriate, are not entitled to protection from public disclosure. A copy of the regulatory entity's determination, along with any explanation as to why the administrator should not make a similar determination, must be provided. Any information concerning prior requests for confidentiality that an owner, operator, or service company determines to be relevant also must be provided to the administrator;

(d) how the identity of the ingredient, its concentrations, or both, as appropriate, are commercially valuable to the owner, operator, or service company. A description of why the use of the ingredient, its concentrations, or both, as appropriate, is not common knowledge in the industry, including any novel or unusual aspects about the ingredient, must be provided.

(e) the ease or difficulty with which the complete composition of the fracturing fluid, including the ingredient identity, concentrations, or both, as appropriate, could be determined because of public

disclosure. The information must explain why a systems approach format would not adequately protect a proprietary interest.

(3) An owner, operator, or service company shall provide the administrator with a description of the investigation completed by the owner, operator, or service company to meet the requirements of subsection (2).

(4) (a) Within 5 days of receiving the information provided in accordance with subsection (2), the administrator shall determine whether an owner, operator, or service company must disclose the ingredient identity, concentrations, or both, as appropriate.

(b) If the administrator determines disclosure of the ingredient identity, concentrations, or both, as appropriate, is not required, the administrator shall:

(i) post the information required in accordance with 82-10-603 to the board of oil and gas conservation's website or to a website hosted by a nonprofit organization dedicated to ground water protection with members consisting of state ground water regulatory agencies, the interstate oil and gas compact commission, or both or their successors and redact the specific information about the ingredient identity, concentrations, or both, as appropriate, that the administrator has determined may be withheld from public disclosure in accordance with this section;

(ii) make available to the public the chemical family name in lieu of a specific chemical compound name and number for any ingredient, concentration, or both, as appropriate, that is being withheld; and

(iii) maintain the unredacted version of the information in the board of oil and gas conservation's confidential files.

(5) If the administrator makes a determination in accordance with subsection (4)(b) that information must be withheld from public disclosure, the owner, operator, or service company shall every 3 years update the information required in accordance with subsection (2) to confirm that the ingredient identity, concentrations, or both, as appropriate, have not been disclosed to the public in another forum.

(6) If an owner, operator, or service company disagrees with a determination by the administrator in accordance with subsections (1) through (5) that certain material will not be maintained as confidential, the owner, operator, or service company may file a declaratory judgment action in a court of competent jurisdiction to establish the existence of a trade secret if the owner, operator, or service company wishes the information to enjoy confidential status. The board must be served in the action and may intervene as a party. Information submitted to the board or administrator by an owner, operator, or service company and contested in accordance with this subsection may only be publicly disclosed after a determination is made by a court of competent jurisdiction. Information submitted in accordance with 82-10-603 must be treated in accordance with this part.

History: En. Sec. 3, Ch. 316, L. 2017.

BEFORE THE BOARD OF OIL AND GAS CONSERVATION AND
THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF PUBLIC HEARING ON
ARM 36.22.608, 36.22.1015,) PROPOSED AMENDMENT AND
36.22.1016, and 36.22.307 pertaining) REPEAL
to fracturing of oil and gas wells and)
the repeal of 36.22.1244 pertaining to)
the producer's certificate of)
compliance)

TO: All Concerned Persons

1. On [Month Day, 20##], at [Time]:00 [a.m./p.m.], the Department of Natural Resources and Conservation and the Board of Oil and Gas Conservation will hold a public hearing at 2535 St. Johns Avenue, Billings, Montana, to consider the proposed amendment of the above-stated rules.

2. The department will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact the board no later than [Time]:00 [a.m./p.m.] on [Month Day, 20##], to advise us of the nature of the accommodation that you need. Please contact Jim Halvorson, Board of Oil and Gas Conservation, 2535 St. Johns Ave, Billings, Montana, 59102; telephone (406) 656-0040; fax (406) 655-6015; TDD/Montana Relay Service (406) 444-1421; or e-mail jhalvorson@mt.gov.

3. The rules as proposed to be amended provide as follows, new matter underlined, deleted matter interlined:

36.22.608 WELL STIMULATION ACTIVITIES COVERED BY DRILLING PERMIT

(1) through (2)(a) remain the same.

(3) For the purpose of this section, an adequate description of the proposed well stimulation includes:

(a) the estimated total volume of treatment to be used;

~~(b) the trade name or generic name of the principle components or chemicals;~~
disclosure of fracturing fluids in accordance with 82-10-603, MCA;

(3)(c) through (3)(e) remain the same.

~~(4) In lieu of a well specific design the owner, operator, or service company may provide:~~

~~(i) a copy of a final design of well treatment actually used for similar wells and which reflects the likely design for the well to be permitted; or~~

~~(ii) a prefiled generic design submitted for specific geologic formations, geographic areas, or well types likely to be used in a particular well.~~

MAR Notice No. [assigned by each agency]

AUTH: 82-11-111, MCA
IMP: 82-11-111, MCA

REASON: The Board proposes to amend this rule to ensure consistency with statutory changes in 82-10-600 et seq., which became effective October 1, 2017.

36.22.1015 DISCLOSURE OF WELL STIMULATION FLUIDS

(1) through (1)(c) remain the same.

(2) For hydraulic fracturing treatments the description of the amount and type of material used must include: the disclosure of fracturing fluids in accordance with 82-10-603, MCA, with the actual rate or concentration of each ingredient or additive used for treatment.

~~(a) a description of the stimulation fluid identified by additive type (e.g. acid, biocide, breaker, brine, corrosion inhibitor, crosslinker, demulsifier, friction reducer, gel, iron control, oxygen scavenger, pH adjusting agent, proppant, scale inhibitor, surfactant); and~~

~~(b) the chemical ingredient name and the Chemical Abstracts Service (CAS) Registry number, as published by the Chemical Abstracts Service, a division of the American Chemical Society (www.cas.org), for each ingredient of the additive used. The rate or concentration for each additive shall be provided in appropriate measurement units (pounds per gallon, gallons per thousand gallons, percent by weight or percent by volume, or parts per million).~~

(3) through (3)(d) remain the same.

(4) The administrator may waive all or a portion of the requirements in (2) or (3) of this rule if:

(a) the owner or operator demonstrates that it has posted the required information to the Interstate Oil and Gas Compact Commission/Groundwater Protection Council hydraulic fracturing web site (FracFocus.org); or

(b) a successor web site to FracFocus.org or other publically accessible Internet information repositories that the board may choose to accept.

AUTH: 82-11-111, MCA
IMP: 82-11-111, MCA

REASON: The Board proposes to amend this rule to ensure consistency with statutory changes in 82-10-600 et seq., which became effective October 1, 2017.

36.22.1016 PROPRIETARY CHEMICALS AND TRADE SECRETS

(1) As provided in 30-14-402, MCA, where the formula, pattern, compilation, program, device, method, technique, process, or composition of a chemical product is unique to the owner or operator or service contractor and would, if disclosed, reveal methods or processes entitled to protection as trade secrets, ~~such a chemical need not be disclosed to the board or staff. The~~ the owner, operator, or service contractor may identify the trade secret chemical or product by trade name, inventory name, chemical family name, or other unique name and the quantity of such constituent(s) used. request that the administrator withhold the information in accordance with 82-10-604, MCA.

MAR Notice No. [assigned by each agency]

(2) If necessary to respond to a spill or release of a trade secret product the owner, operator, or service contractor must provide to the board or staff, upon request, a list of the chemical constituents contained in a trade secret product. The administrator may request information be provided orally or be provided directly to a laboratory or other third party performing analysis for the board. Board members, board staff, and any Any third parties receiving trade secret information on behalf of the board may be required to execute a nondisclosure agreement.

(3) and (4) remain the same.

AUTH: 82-11-111, MCA

IMP: 82-11-111, MCA

REASON: The Board proposes to amend this rule to ensure consistency with statutory changes in 82-10-600 et seq., which became effective October 1, 2017.

36.22.307 ADOPTION OF FORMS

(1) The forms hereinafter listed are adopted by reference and made a part of these rules for all purposes, and the same must be used as herein directed in giving notice and in making reports and requests to the board. Copies of printed forms will be supplied by the board on request. ~~Address requests for forms to: Board of Oil and Gas Conservation, 1625 Eleventh Avenue, Helena, Montana, 59620-1601 or 2535 St. Johns Avenue, Billings, Montana, 59102.~~

(1)(a) through (1)(j) remain the same.

~~(k) Form No. 13 Producers Certificate of Compliance and Authorization to Transport Oil and Gas from Lease~~

~~(l)~~(k) Form No. 14 Certificate of Deposit Cash Bond

~~(m)~~(l) Form No. 14-2A Assignment Agreement

~~(n)~~(m) Form No. 14-2B Letter of Credit

~~(o)~~(n) Form No. 18 Domestic Well Bond and Lien

~~(p)~~(o) Form No. 19 Release Agreement

~~(q)~~(p) Form No. 20 Notice of Intent to Change Operator

~~(r)~~(q) Form No. 22 Application for Permit (Drill, Deepen or Re-Enter)

~~(s)~~(r) Form No. 23 Application for Permit (Earthen Pit or Pond)

AUTH: 82-11-111, MCA

IMP: 2-4-201, 82-11-111, MCA

REASON: The department proposes to amend this rule to remove Form No. 13 because it serves no current regulatory purpose. The department further proposes to incorporate by reference updated versions of Form No. 9 and Form No. 10, proposed to be dated August 2018. The proposed changes to Form No. 9 are: change of filing address, request for printed name of submitter, addition of lines and column boundaries to the form, clarification that the API well number may be used for identification of the gas source in addition to a lease or meter station, and requesting that the number of wells associated with the lease or station be reported

MAR Notice No. [assigned by each agency]

rather than the well type. The proposed changes to Form No. 10 are: change of filing address, request for printed name of submitter, simplification of the production section of the form and the addition of Helium, Carbon Dioxide, and Nitrogen as potential plant output. Page 2 of Form 10 is changed to clarify that API well number may be used for identification of the gas source in addition to a lease or meter station, and requesting that the number of wells associated with the lease or station be reported rather than the well type. The proposed updated versions of these forms are attached to and filed with this notice.

4. The department proposes to repeal the following rule:

36.22.1244 PRODUCER'S CERTIFICATE OF COMPLIANCE

REASON: The department proposes to repeal this rule because Form No. 13, on which this rule is based, serves no current regulatory purpose and 36.22.307 is proposed to be amended to remove Form No. 13.

5. Concerned persons may submit their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to: Jim Halvorson, Board of Oil and Gas Conservation, 2535 St. Johns Ave, Billings, Montana, 59102; telephone (406) 656-0040; fax (406) 655-6015; or e-mail mtogpub@mt.gov, and must be received no later than 5:00 p.m., [Month Day, 20##].

6. [Presiding Person], Board of Oil and Gas Conservation, has been designated to preside over and conduct this hearing.

7. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in #5 above or may be made by completing a request form at any rules hearing held by the department.

8. An electronic copy of this proposal notice is available through the Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

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9. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

10. With regard to the requirements of 2-4-111, MCA, the department has determined that the amendment of the above-referenced will not significantly and directly impact small businesses.

/s/ Robert Stutz
Robert Stutz
Rule Reviewer

/s/ Ronald S. Efta
Ronald S. Efta
Chair
Board of Oil and Gas Conservation

Certified to the Secretary of State [Month Day, 20##].

MAR Notice No. [assigned by each agency]

SUBMIT ONE COPY TO

**MONTANA BOARD OF OIL AND GAS CONSERVATION
P.O. BOX 201601 HELENA, MONTANA 59620-1601**

MONTHLY GAS PROCESSING PLANT REPORT

Report Month and Year: _____

Company or Operator	Plant or Facility
Address	Telephone
Signature	Printed Name / Title
	Date

INTAKE VOLUME

MCF (14.73 psi and 60°F)

TOTAL GAS FROM OIL WELLS	
TOTAL GAS FROM GAS WELLS	
TOTAL GAS FROM OTHER SOURCES	
TOTAL	

DISPOSITION

MCF (14.73 psi and 60°F)

Plant Fuel	
Returned for Lease Fuel	
Sold or Other Disposition (Details Below)	
Returned to Earth	
Vented or Flared	
Shrinkage	
TOTAL	

DETAIL OF GAS SALES OR DISPOSITION

NAME OF PURCHASER OR USER	ADDRESS	USED FOR	MCF (14.73 psi and 60°F)
TOTAL			

PLANT PRODUCTION

Volume

Condensate	Gallons	
Gasoline	Gallons	
Propane	Gallons	
Butane	Gallons	
Ethane	Gallons	
Mix	Gallons	
Helium	MCF	
CO2	MCF	
Nitrogen	MCF	
Other - List, with units:		

Remarks:

**MONTANA BOARD OF OIL AND GAS CONSERVATION
FINANCIAL STATEMENT
As of 6/6/18
Fiscal Year 2018: Percent of Year Elapsed - 93%**

		Budget	Expends	Remaining	%
Regulatory UIC	Personal Services	1,155,411	935,919	219,492	81.0
	Personal Services	<u>253,626</u>	<u>195,971</u>	<u>57,655</u>	77.3
	Total Expended	1,409,037	1,131,890	277,147	80.3
Regulatory UIC	Equipment & Assets	46,371	-	46,371	0.0
	Equipment & Assets	<u>10,179</u>	<u>-</u>	<u>10,179</u>	0.0
	Total Expended	56,550	-	56,550	0.0
Regulatory	Operating Expenses:				
	Contracted Services	167,395	72,695	94,700	43.4
	Supplies & Materials	46,745	31,247	15,499	66.8
	Communication	63,336	40,523	22,813	64.0
	Travel	36,206	18,471	17,735	51.0
	Rent	25,877	16,899	8,978	65.3
	Utilities	16,394	13,261	3,133	80.9
	Repair/Maintenance	24,633	25,365	(732)	103.0
	Other Expenses	<u>26,215</u>	<u>18,667</u>	<u>7,548</u>	71.2
	Total Operating Expenses	406,801	237,126	169,675	58.3
	UIC	Operating Expenses:			
Contracted Services		36,744	9,482	27,262	25.8
Supplies & Materials		10,262	7,731	2,530	75.3
Communication		13,903	8,484	5,419	61.0
Travel		7,948	3,467	4,481	43.6
Rent		5,680	2,674	3,006	47.1
Utilities		3,599	2,433	1,166	67.6
Repair/Maintenance		5,407	5,196	211	96.1
Other Expenses		<u>5,755</u>	<u>6,983</u>	<u>(1,228)</u>	121.3
Total Operating Expenses		89,297	46,450	42,847	52.0
Total Expended		496,098	283,576	212,522	57.2

	Budget	Expends	Remaining	%
<u>Carryforward FY16</u>				
Personal Services	21,416	-	21,416	0.0
Operating Expenses	42,833	-	42,833	0.0
Equipment & Assets	<u>42,833</u>	<u>-</u>	<u>42,833</u>	0.0
Total	107,082	-	107,082	0.0
<u>Carryforward FY17</u>				
Personal Services	63,132	-	63,132	0.0
Operating Expenses	63,132	-	63,132	0.0
Equipment & Assets	<u>30,000</u>	<u>-</u>	<u>30,000</u>	0.0
Total	156,264	-	156,264	0.0

Funding Breakout	Regulatory Budget	Regulatory Expends	UIC Budget	UIC Expends	2018 Total Budget	2018 Total Expends	%
State Special	1,608,583	1,173,046	353,102	242,421	1,961,685	1,415,467	72.2
Federal	-	-	96,432	54,852	96,432	54,852	56.9
Total	1,608,583	1,173,046	449,534	297,273	2,058,117	1,470,319	71.4

REVENUE INTO STATE SPECIAL REVENUE ACCOUNT

	FY 18	FY 17
Oil & Gas Production Tax	\$ 1,588,397	\$ 2,399,050
Oil Production Tax	1,414,730	2,210,579
Gas Production Tax	173,668	188,471
Drilling Permit Fees	15,250	12,575
UIC Permit Fees	240,600	242,800
Interest on Investments	9,156	8,826
Copies of Documents	470	541
Public Information Request	-	221
Miscellaneous Reimbursements	23,045	6,801
TOTAL	\$ 1,876,919	\$ 2,670,814

REVENUE INTO DAMAGE MITIGATION ACCOUNT

	FY 18	FY 17
RIT Investment Earnings:	\$ 109,700	\$ -
July	-	-
August	12,531	-
September	9,947	-
October	10,149	-
November	12,509	-
December	10,203	-
January	10,392	-
February	11,740	-
March	9,234	-
April	11,055	-
May	11,940	-
June	-	-
Bond Forfeitures:	210,381	15,000
Interest on Investments	8,653	7,562
TOTAL	\$ 328,734	\$ 22,562

INVESTMENT ACCOUNT BALANCES

Regulatory Account	\$ 1,330,918
Damage Mitigation Account	\$ 669,333

REVENUE INTO GENERAL FUND FROM FINES

		FY 18
ROLAND OIL AND GAS	7/7/2017	\$ 110
EAGLE CREEK COLONY INC	7/14/2017	140
MONTANA LAND AND MINERAL COMPANY	9/8/2017	60
HAWLEY OIL LLP	9/22/2017	250
NINE POINT ENERGY LLC	9/22/2017	110
PETRO-HUNT LLC	9/22/2017	250
SCOUT ENERGY MANAGEMENT LLC	9/22/2017	2,730
PINNACLE ENERGY GROUP LLC	9/29/2017	90
GALUSKA GEORGE AND BARBARA REVOCABLE TRUST	10/13/2017	130
HIGHLANDS NATURAL RESOURCES CORP / HIGHLANDS MONTANA CORP.	10/20/2017	60
SHADWELL RESOURCES GROUP LLC	10/20/2017	70
CARRELL OIL COMPANY	10/26/2017	370
COALRIDGE DISPOSAL AND PETROLEUM	10/27/2017	80
DALCO INC CROW NUMBER 1 / LOREN P SMITH AND CHAS P FOSTER	10/27/2017	70
JUSTICE SWD LLC	10/27/2017	70
MONTANA PALLET ART AND DESIGN / BENSUN ENERGY LLC	10/31/2017	1,260
SOAP CREEK ASSOCIATES LLC	11/9/2017	110
SOLOMON EXPLORATION / SOLOMON, TED/GAIL	11/9/2017	70
DRAWINGS LLC	11/17/2017	70
THREE FORKS RESOURCES LLC	11/17/2017	70
HOFLAND, JAMES D	11/22/2017	140
MISC OIL CO	12/21/2017	60
AB ENERGY LLC	12/26/2017	90
BRAINSTORM ENERGY INC	1/5/2018	60
HERCO LLC	1/5/2018	70
YOUNG BROS LLC / GRASSY BUTTE LLC	1/12/2018	70
HIGHLINE EXPLORATION INC	2/1/2018	980
BENSON LANCE BENSUN ENERGY LLC	2/14/2018	1,000
LONGSHOT OIL LLC	2/26/2018	60
INTERSTATE EXPLORATION LLC	3/1/2018	500
SDOCO LLC	3/9/2018	120
FAIRWAYS EXPLORATION AND PRODUCTION LLC	3/9/2018	60
GREAT PLAINS ENERGY INC	3/16/2018	70
OMIMEX CANADA LTD	3/16/2018	60
PHOENIX ENERGY INC	3/26/2018	140
PROVIDENT ENERGY OF MONTANA LLC	4/6/2018	420
PHOENIX ENERGY INC	4/11/2018	140
ROLAND OIL AND GAS	4/16/2018	240
HOFLAND JAMES D	4/27/2018	70
HABETS GLEN	4/27/2018	90
RANCH OIL CO INC	4/27/2018	60
ALTA VISTA OIL	4/27/2018	120
PONDEROSA RESOURCES CORP / WIND RIVER HYDROCARBONS INC	4/27/2018	60
CARRELL OIL COMPANY	5/3/2018	110
RCS OIL INC	5/11/2018	120
MONTANA LAND AND MINERALS COMPANY	5/11/2018	70
SAGE CREEK COLONY	5/16/2018	60
WHITING OIL AND GAS CORP	5/16/2018	70
TOTAL		\$ 11,280

DAMAGE MITIGATION CONTRACTS

<u>Name</u>	<u>Authorized Amt</u>	<u>Expended</u>	<u>Balance</u>	<u>Status</u>	<u>Expiration Date</u>
Flack #1 Plugging	\$ 50,356	\$ 49,098	\$ 1,258	Completed	12/31/2017
Danielson 1 Well Plug and Reclaim	23,805	21,306	2,499	Completed	6/30/2018
Goeddertz 1	20,480	13,499	6,981	Under Contract	6/30/2018
Beery 2 and Beery 22-24 Wells Plug and Reclaim	176,500	155,704	20,796	Under Contract	6/30/2018
Krone-Augusta 31-32-1 Well Plug and Reclaim	600,000	-	600,000	Under Contract	9/30/2018
TOTAL	\$ 871,141	\$ 239,607	\$ 631,533		

CONTRACTS

<u>Name</u>	<u>Authorized Amt</u>	<u>Expended</u>	<u>Balance</u>	<u>Status</u>	<u>Expiration Date</u>
MT Tech - Elm Coulee EOR Study (MOU 127220)	\$ 863,905	\$ 683,979	\$ 179,926	Under Contract	12/31/2019
Agency Legal Services 2018	70,000	25,660	44,340	Under Contract	6/30/2018
COR Enterprises - Billings Janitorial	30,876	28,891	1,985	Under Contract	6/30/2018
Production and Injection Form Data Entry	1,134	1,134	-	Completed	10/31/2017
Production and Injection Form Data Entry	4,536	4,536	-	Under Contract	1/31/2018
Production and Injection Form Data Entry	15,048	7,845	7,203	Under Contract	2/28/2019
TOTAL	\$ 985,499	\$ 752,044	\$ 233,455		

**Agency Legal Services
Expenditures in FY18**

<u>Case</u>	<u>Amt Spent</u>
BOGC Duties	\$ 24,425
Malsam	468
MEIC	766
Total	\$ 25,660

Montana Board Of Oil and Gas

Orphan Well List, by Rank

6/12/2018

00305205	ROCKY MOUNTAIN OPERATING CO., INC.	KENDRICK 3	Twp: 1 S	Rge: 35 E	Sec: 6 NW NW NW	<u>Contracted</u> <input checked="" type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 10 Well Location: 1 Ranking: 11
Comments: Oil well shut in with equipment, rods, tubing and pump jack. Well pressured up. No pits. Originally funded under 2007 Southern Grant but landowner requested it no be plugged. Landowner now requests that the well be plugged. PLUGGED 5/23/17 - waiting on restoration						
00505020	MONTANA CANADIAN OIL CO.	SPRINKLE 1	Twp: 31 N	Rge: 20 E	Sec: 19 E2 SE SW	<u>Contracted</u> <input checked="" type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 10 Well Location: 1 Ranking: 11
Comments: Wellhead, 7" casing with slow flow of water. Well located at the edge of crop land. Eagle top at 600' according to well records. PLUGGED 4/17/17 - waiting on restoration						
06505288	KELLY OIL AND GAS LLC	STATE E-2	Twp: 11 N	Rge: 30 E	Sec: 36	<u>Contracted</u> <input checked="" type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 10 Well Location: 1 Ranking: 11
Comments: Bond Forfeited by Board Order 189-2015 Inspection report and ranking completed 3/15/2016 by Fraser PLUGGING REQUIRED UNDER UIC PROGRAM - FAILED MIT PLUGGED 5/10/17 - waiting on restoration						
04921111	AUGUSTA EXPLORATION, LLC	KRONE-AUGUSTA 31-32	Twp: 18 N	Rge: 5 W	Sec: 32 NW NE	<u>Contracted</u> <input checked="" type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 8 Well Location: 2 Ranking: 10
Comments:						
05505097	NATIVE AMERICAN ENERGY GROUP, INC.	BEERY 22-24	Twp: 23 N	Rge: 49 E	Sec: 24 C SE NW	<u>Contracted</u> <input checked="" type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 3 Well Location: 5 Ranking: 8
Comments: Inspection 10/9/2012 RP No pumping unit, rods and tubing in well; production tanks, treater, pumping unit off well Lots of junk iron, wood and pipe on location. Flare pit. Native American Energy Group, Inc. bond forfeited June 6, 2013. Well plugged 10/16/17, reclamation probably will not start until spring of 2018						
07305347	MONTANA OIL FIELD ACQUISITION I, LLC	MONTANA A 2	Twp: 28 N	Rge: 5 W	Sec: 36 NE SE SW	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 3 Well Location: 5 Ranking: 8
Comments: Bond forfeiture, 2017 Equipment list: pump unit, rods, tubing, pump unit shack with motor. Tank battery consists of a gun barrel and two 250 bbl tanks, the gun barrel contains oil and water and could possibly be a leak hazard in the winter. Location is 1/4 mile from residence.						
08321346	ALTURAS ENERGY LLC	CARLSEN-LYCHE 22-12	Twp: 23 N	Rge: 59 E	Sec: 22 SW NW	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 3 Well Location: 5 Ranking: 8
Comments: Bond Forfeited by Board Order 165-2015 Orphaned well inspection report completed 3/21/16 Surface owner plans to install center-pivot sprinkler.						

02106236	EASTERN MONTANA OIL & GAS CO.	MONT-DAK 11 (210)	Twp: 14 N	Rge: 55 E	Sec: 20	NE NE	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 6	Well Location: 1	Ranking: 7		
Comments: Gas well. 7" csg open to atmosphere, no cap. Above ground level 18" east side of well csg and sloughing 20-25". Wire rope piece and metal chunks litter location. 1 rig anchor NW of hole 11'. Cannot tell how deep well is.							
06521073	KELLY OIL AND GAS LLC	WSW #1	Twp: 11 N	Rge: 30 E	Sec: 36	SE NW SE	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 6	Well Location: 1	Ranking: 7		
Comments: Bond forfeited by Board Order 2-2016. Open production casing, no wellhead, open orbit valve, no flow fluid approximately 400' from the surface.							
08321350	ALTURAS ENERGY LLC	ANDREW PETERSEN 28-	Twp: 22 N	Rge: 59 E	Sec: 28	W2 NW	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 2	Well Location: 5	Ranking: 7		
Comments: Bond Forfeited by Board Order 165-2015 Orphaned well inspection report completed by Utter 3-21-16 5/2/17 surface owner notified that the location was reclaimed and will be planted to crop. Wellhead is fenced w/panels, no service rig anchors were found during reclaim.							
08321292	ALTURAS ENERGY LLC	CARLSEN-LYCHE 21-41	Twp: 23 N	Rge: 59 E	Sec: 21	NE NE	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 2	Well Location: 5	Ranking: 7		
Comments: Bond Forfeited by Board Order 165-2015 Orphaned inspection report completed by Utter 3/21/16							
08321294	ALTURAS ENERGY LLC	SCHEETZ 21-1	Twp: 22 N	Rge: 59 E	Sec: 21	SW SE SW	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 2	Well Location: 5	Ranking: 7		
Comments: Bond Forfeited by Board Order 165-2015 Orphaned well inspection report completed by Utter 3/21/16							
08321506	ALTURAS ENERGY LLC	BASS-MARKER 20-33	Twp: 22 N	Rge: 59 E	Sec: 20	C SE SE	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 2	Well Location: 5	Ranking: 7		
Comments: Bond Forfeited by Board Order 165-2015 Orphaned well inspection completed by Utter 3-21-16							
08321769	ALTURAS ENERGY LLC	DEGN 29-44	Twp: 22 N	Rge: 59 E	Sec: 29	NE NE	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 2	Well Location: 5	Ranking: 7		
Comments: Bond Forfeited by Board Order 165-2015 Orphaned well inspection report completed by Utter 3-21-16							
09521211	MOUNTAIN PACIFIC GENERAL INC.	LUTGEN 1-34	Twp: 1 N	Rge: 21 E	Sec: 34	NE NE	<u>Contracted</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 2	Well Location: 5	Ranking: 7		
Comments: Well: 2 3/8" tbg and rods in 5 1/2" csg. Wellheads 2" ports open. Location on level ground near county road. Sentinel 340 pumping unit on skid. Area fenced, misc tbg and steel posts. Large pit south of the pumping unit and another pit near ranch hand house unoccupied at time of report 8/30/17.							

**Montana Board of Oil and Gas Conservation
Summary of Bond Activity**

EXHIBIT 4

4/17/2018 Through 6/13/2018

Approved

Blixrud, Charles & Sharon Choteau MT	835 D1	Approved	5/4/2018
		Amount:	\$5,000.00
		Purpose:	Domestic Well Bond
Certificate of Deposit	\$5,000.00	1ST SECURITY BANK	ACT
Enneberg Oil & Gas Kevin MT	833 M1	Approved	5/1/2018
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Surety Bond	\$50,000.00	Lexon Insurance Company	ACT
Primary Fuels, LLC Tulsa OK	834 M1	Approved	5/1/2018
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Surety Bond	\$50,000.00	WESTCHESTER FIRE INSURANCE CO.	ACT
Roberts L-7 Ranch East, LLC Billings MT	836 D1	Approved	5/21/2018
		Amount:	\$5,000.00
		Purpose:	Domestic Well Bond
Certificate of Deposit	\$5,000.00	Stockman Bank of Montana	ACT

Canceled

Anderson, Raymond or Arlene Choteau MT	415 D1	Canceled	5/24/2018
		Amount:	\$5,000.00
		Purpose:	Domestic Well Bond
Apache Corporation Houston TX	721 M1	Canceled	6/5/2018
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Mertz Energy LLC Houston TX	801 G1	Canceled	4/26/2018
		Amount:	\$10,000.00
		Purpose:	Single Well Bond

Forfeited

Stealth Energy USA, Inc. Richmond BC	574 M2	Forfeited	6/6/2018
		Amount:	\$50,000.00
		Purpose:	Single Well Bond

Letter Sent

Stealth Energy USA, Inc. Richmond BC	574 M2	Letter Sent	4/24/2018
		Amount:	\$50,000.00
		Purpose:	Single Well Bond

Rider Approved

White Rock Oil & Gas, LLC Plano TX	779 M1	Rider Approved	4/27/2018
		Amount:	\$100,000.00
		Purpose:	Multiple Well Bond
Surety Bond	\$100,000.00	Aspen American Insurance Company	ACT

Incident Report

EXHIBIT 5

Company	Responsibility	Date	Incident	Oil Released	Water Released	Source	Contained	Latitude	Longitud	County	T-R-S
Denbury Onshore, LLC	VAR	4/24/2018	Spill or Release		2000 Barrels	Flow Line - Injection	No	46.72718	-104.51346	Wibaux	11N-57E-11 NENW
Somont Oil Company, Inc.	VAR	4/25/2018	Spill or Release	10 Barrels		Well Head	No	48.76252	-111.73978	Toole	35N-1W-28 SWNE
Anadarko Minerals, Inc.	FED	4/27/2018	Spill or Release	450 Barrels	55000 Barrels	Flow Line - Production	No	48.39505	-106.10573	Valley	31N-43E-35 SWSW
Balko, Inc.	BOG	4/27/2018	Spill or Release	30 Barrels		Tank or Tank Battery	Yes	48.09723	-112.13575	Pondera	27N-4W-17 SENE
Hawley Oil Company	BOG	4/30/2018	Spill or Release	3 Barrels	30 Barrels	Flow Line - Production	No	48.12017	-112.11392	Pondera	27N-4W-4 NESE
Kelly Oil and Gas LLC	BOG	5/2/2018	Spill or Release	10 Barrels		Tank or Tank Battery	Yes	46.62960	-108.37968	Musselshell	10N-27E-18 SENW
Continental Resources Inc	BOG	5/4/2018	Fire			Treater	No	48.02661	-104.88563	Richland	26N-53E-9 NENW
Continental Resources Inc	BOG	5/5/2018	Fire			Treater	No	48.02661	-104.88582	Richland	26N-53E-9 NENW
White Rock Oil & Gas, LLC	BOG	5/5/2018	Spill or Release	10 Barrels	500 Barrels	Tank or Tank Battery	Yes	47.74293	-104.25374	Richland	23N-58E-22 SENE
Denbury Onshore, LLC	BOG	5/7/2018	Spill or Release	1 Barrels	3 Barrels	Flow Line - Production	No	46.39902	-104.28200	Fallon	8N-59E-36 SESE
Wesco Operating, Inc.	BOG	5/7/2018	Fire	1 Barrels		Flare Pit	Yes	46.64681	-104.44691	Fallon	10N-58E-5 NWSE
Kraken Operating, LLC	BOG	5/17/2018	Spill or Release	3 Barrels		Well Head	No	48.21381	-104.11527	Roosevelt	28N-59E-4 NWNW
Denbury Onshore, LLC	BOG	5/21/2018	Spill or Release		50 Barrels	Flow Line - Injection	No	46.29618	-104.14275	Fallon	6N-60E-1 SWSE
Denbury Onshore, LLC	FED	5/22/2018	Spill or Release		200 Barrels	Flow Line - Injection	No	46.58561	-104.42942	Fallon	10N-58E-28 SESW
White Rock Oil & Gas, LLC	FED	5/23/2018	Spill or Release		325 Barrels	Tank or Tank Battery	No	48.28335	-105.39440	Roosevelt	29N-49E-7 SWNE
Wesco Operating, Inc.	BOG	5/26/2018	Spill or Release	203 Barrels		Tank or Tank Battery	Yes	47.92480	-104.53823	Richland	25N-56E-18 NENW
Oasis Petroleum North America LLC	BOG	5/27/2018	Fire	10 Barrels	110 Barrels	Tank or Tank Battery	Yes	48.08439	-104.17945	Roosevelt	27N-58E-24 NWNW
Somont Oil Company, Inc.	OTR	5/28/2018	Spill or Release	35 Barrels	36000 Barrels	Flow Line - Production	No	48.77561	-111.78994	Toole	35N-1W-19 NESW
Denbury Onshore, LLC	BOG	5/29/2018	Spill or Release		800 Barrels	Flow Line - Injection	No	46.62628	-104.45684	Fallon	10N-58E-17 NWNW
Citation Oil & Gas Corp.	BOG	5/30/2018	Spill or Release	40 Barrels	60 Barrels	Treater	No	48.48687	-109.19673	Blaine	32N-19E-36 NESE
White Rock Oil & Gas, LLC	BOG	6/2/2018	Spill or Release	107 Barrels		Treater	No	47.93835	-104.61526	Richland	25N-55E-9 NENE
SDOCO, LLC	BOG	6/4/2018	Spill or Release	6 Barrels	4 Barrels	Well Head	Yes	46.77281	-107.64643	Rosebud	12N-32E-26 SESE
Slawson Exploration Company Inc	BOG	6/5/2018	Spill or Release	5 Barrels		Treater	Yes	47.89883	-104.67876	Richland	25N-54E-24 SESE
Denbury Onshore, LLC	BOG	6/8/2018	Spill or Release	20 Barrels	200 Barrels	Well Head	No	46.35267	-104.23677	Fallon	7N-60E-20 NWNW

Docket Summary

20-2018	Rimrock Resources, Inc.	Temporary spacing unit, Madison Formation test well, 2N-24E-33: NWNESE, NENWSE, SWSENE, SESWNE. Well to be located approximately 135' FNL, 295' FWL of NESE in Section 33.		Approximate location 1025 FEL, 2505 FSL of Section 33	<input type="checkbox"/>
21-2018	Montana Land & Exploration, Inc.	Temporary spacing unit, Upper Bowes Formation test well, 34N-21E-5: SWSWNE, SESENW, NENESW, NWNWSE. Well to be located approximately 170' FSL, 77' FWL of SWNE in Section 5.	Continued	Approximate location 2470 FNL, 2563 FEL in Section 33 Application continued, email received 5/30/18	<input type="checkbox"/>
22-2018	Denbury Onshore, LLC	Temporary spacing unit, Mission Canyon Formation, 4N-61E-13: SESW, S2SE, 24: E2SE, NWSE, NE, NENW, 4N-62E-19: SWNW, SW, SWSE, 30: W2NE, E2NW, NWNW, 660' setbacks.			<input type="checkbox"/>
23-2018	Denbury Onshore, LLC	Temporary spacing unit, Mission Canyon Formation, 4N-62E-8: W2SE, SW, 17: W2NE, NENW, NENWNW, NESENW, surface location: 4N-62E-17: 1,838' FNL, 575' FEL; BHL: 4N-62E-8: 1,909' FSL 320' FWL.		320' setback at toe?	<input type="checkbox"/>
24-2018	Denbury Onshore, LLC	Overlapping temporary spacing unit, Mission Canyon Formation, 4N-62E-17: SWNE, NWSE (to be combined with additional lands located in ND) surface location: 4N-62E-17: 1,904' FNL and 500' FEL, BHL location: ND.		Well to be drilled into North Dakota; requires ND approval.	<input type="checkbox"/>
25-2018	Denbury Onshore, LLC	Temporary spacing unit, Mission Canyon Formation, 6N-60E-9: SESE, 10: SWSW, 15: W2NE. SENE, NW, N2SE, 16: NENE, 660' setbacks.			<input type="checkbox"/>
26-2018	Denbury Onshore, LLC	Overlapping temporary spacing unit, Mission Canyon Formation, 6N-60E-4: S2SW, 9: SESE, N2SE, S2NE, NWNE, E2NW, NWNW, 10: SWSW, 15: NWNW, 16: NENE, 660' setbacks.			<input type="checkbox"/>
27-2018	Denbury Onshore, LLC	Temporary spacing unit, Mission Canyon Formation, 6N-60E-4: NWNW, 5: NENE, 7N-60E-32: SE, SWNE, NW, NESW, 33: SWSW, 660' setbacks.			<input type="checkbox"/>
28-2018	Denbury Onshore, LLC	Overlapping temporary spacing unit, Mission Canyon Formation, 6N-60E-4: NWNW, S2NW, N2SW, SESW, W2SE, 5: NENE, 9: NWNE, NENW, 7N-60E-32: SESE, 33: SWSW, 660' setbacks.			<input type="checkbox"/>
29-2018	Denbury Onshore, LLC	Convert the 24-17B, 7N-60E-17: SE SW (API # 025-05218) to Class II Injection well (SWD), Madison Formation. Aquifer exemption requested.	Withdrawn	Application withdrawn, email received 6/7/18.	<input type="checkbox"/>
30-2018	Mountain View Energy, Inc.	Convert the Red Creek 16C-2/9B-2, 37N-5W-2: SE SE (API # 035-21898) to Class II Injection well (SWD), Cut Bank and Madison Formation. Aquifer exemption requested.	Default		<input type="checkbox"/>
31-2018	Drawings, LLC	Show Cause: failure to file production reports and pay administrative fees.		Fine received 6/7/18.	<input type="checkbox"/>
32-2018	Pinnacle Energy Group, LLC	Show Cause: failure to file production reports and pay administrative fees.	Dismissed		<input type="checkbox"/>

33-2018	Bensun Energy, LLC	Show Cause: why additional penalties should not be imposed for failure to remedy the field violations at the Loucks 33-27 well (API #25-091-21676) located in the NW¼SE¼ of Section 27, T36N-R52E, Sheridan County, Montana.	<input type="checkbox"/>		
60-2017	Black Gold Energy Resource Development, LLC	Show Cause: why its plugging and reclamation bond should not be forfeited for failure to begin to plug and abandon its Indian Mound 1 SWD well located in the NE¼SW¼SW¼ of Section 15, T23N, R55E, Richland County, Montana as required by Board Order 45-2017, in accordance with § 82-11-123(5), MCA.	NO ACTION BY BOARD AT THIS HEARING; UPDATE ONLY.	<input type="checkbox"/>	
77-2017	Hinto Energy, LLC	Show Cause: failure to file production reports and pay administrative fees.	Continued	5/31/18 Roundup Record-Tribune notified the Board it failed to publish the legal ad. Docket continued to August hearing.	<input type="checkbox"/>