



May 8, 2018

Montana Board of Oil and Gas Conservation
ATTN: Mr. George Hudak
2435 St. John's Avenue
Billings, MT 59102

RECEIVED

MAY 09 2018

**MONTANA BOARD OF OIL &
GAS CONSERVATION - BILLINGS**

Dear Mr. Hudak

RE: UIC PERMIT APPLICATION
FOR AN INDIVIDUAL WELL
PENNEL 24-17B (API# 25-025-05218)
PENNEL FIELD
FALLON COUNTY, MT

Enclosed is the Montana Board of Oil and Gas Conservation Form 2 (UIC Permit Application) and the supporting attachments required to obtain the approval of our proposed work for the subject well. The Pennel 24-17B is currently producing from the Siluro-Ordovician unit and will be converted to a Salt Water Disposal well in the Madison formation.

Appropriate notification has been submitted to the surface owners, Daphne May, in Bellevue, WA and Mark R. Kirschten in Baker, MT. Public notices have also been submitted to the Fallon County Times and Helena Independent Record for immediate publication.

We look forward to your approval of this application. Please inform us of application receipt and completeness. Please contact me for questions you might have concerning this application at (972) 673-2000.

Sincerely,

A handwritten signature in blue ink, appearing to read "Randy Robichaux", with a long horizontal flourish extending to the right.

Randy Robichaux
Vice President – Environmental, Health, & Safety, HSE & Regulatory
Denbury Onshore, LLC

Submit In Quadruplicate To:
MONTANA BOARD OF OIL AND GAS CONSERVATION
2535 ST. JOHNS AVENUE
BILLINGS, MONTANA 59102

SUNDRY NOTICES AND REPORT OF WELLS

Operator Denbury Onshore, LLC		Lease Name: Pennel
Address 5320 Legacy Drive		Lease Type (Private/State/Federal): Fee
City Plano State TX Zip Code 75024	Well Number: 24-17B	
Telephone Number (972) 673-2000 Fax Number ()		Unit Agreement Name: Pennel Unit
Location of Well (1/4-1/4 section and footage measurements): SESW 660' FSL & 1880' FWL, Section 17, T7N-R60E		Field Name or Wildcat: Pennel Field
If directionally or horizontally drilled, show both surface and bottom hole locations)		Section, Township, and Range: Sec 17, T7N - R60E
API Number: 25 025 05218 State County Well	Well Type (oil, gas, injection, other): Oil	County: Fallon County, MT

Indicate below with an X the nature of this notice, report, or other data:

Notice of Intention to Change plans	<input type="checkbox"/>	Subsequent Report of Mechanical Integrity Test	<input type="checkbox"/>
Notice of Intention to Run Mechanical Integrity Test	<input checked="" type="checkbox"/>	Subsequent Report of Stimulation or Chemical Treatment	<input type="checkbox"/>
Notice of Intention to Stimulate or to Chemically Treat	<input type="checkbox"/>	Subsequent Report of Perforation or Cementing	<input type="checkbox"/>
Notice of Intention to Perforate or to Cement	<input checked="" type="checkbox"/>	Subsequent Report of Well Abandonment	<input type="checkbox"/>
Notice of Intention to Abandon Well	<input type="checkbox"/>	Subsequent Report of Pulled or Altered Casing	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing	<input type="checkbox"/>	Subsequent Report of Drilling Waste Disposal	<input type="checkbox"/>
Notice of Intention to Change Well Status	<input checked="" type="checkbox"/>	Subsequent Report of Production Waste Disposal	<input type="checkbox"/>
Supplemental Well History	<input type="checkbox"/>	Subsequent Report of Change in Well Status	<input type="checkbox"/>
Other (specify) <u>Convert to Salt Water Disposal</u>	<input checked="" type="checkbox"/>	Subsequent Report of Gas Analysis (ARM 36.22.1222)	<input type="checkbox"/>
	<input type="checkbox"/>		<input type="checkbox"/>

Describe Proposed or Completed Operations:

Describe planned or completed work in detail. Attach maps, well-bore configuration diagrams, analyses, or other information as necessary. Indicate the intended starting date for proposed operations or the completion date for completed operations.

Denbury requests approval to convert the subject wellbore from Producer to SWD in the Madison-Mission Canyon formation. Please see supporting documents for additional information.

BOARD USE ONLY

Approved _____
Date

Name Title

The undersigned hereby certifies that the information contained on this application is true and correct:

5/8/2018

Date



Signed (Agent)

Naomi Johnson - Regulatory Compliance Specialist

Print Name & Title

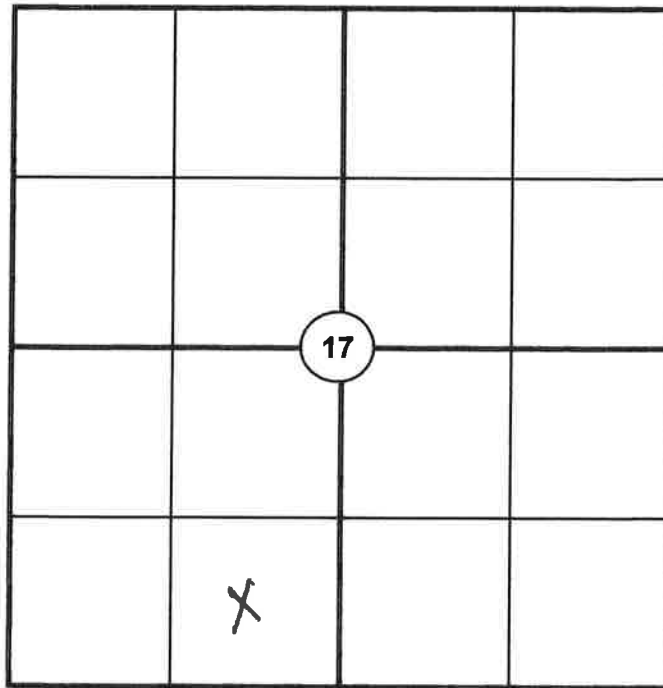
SUPPLEMENTAL INFORMATION

NOTE: Additional information or attachments may be required by Rule or by special request.

Plot the location of the well or site that is the subject of this notice or report.

Range 60E

Township 7N



BOARD USE ONLY

CONDITIONS OF APPROVAL

The operator must comply with the following condition(s) of approval:

Failure to comply with the conditions of approval may void this permit.

Pennel 24-17B SWD

The Pennel 24-17B is currently a shut-in Stony Mountain producer which is uneconomic to repair. We will convert this well into a Mission Canyon salt water disposal well. This well has been shut in since January of 2016 due to a tubing leak. The proposed plan will squeeze the open perfs below the existing CICR, squeeze the open perfs that are above the CICR, and perforate the disposal zone. We will run new injection packer and new 2 7/8" IPC tubing in the well. A previous CBL indicates no cement behind pipe at the proposed disposal interval. The proposed plan includes a new CBL, so that the cement behind pipe can be evaluated to determine if block squeezes are needed to isolate the disposal interval. The estimate includes the new CBL, and also dollars and days for two block squeezes in case they are needed. The proposed plan also assumes that we are not able to inject thru the existing CICR, and includes the dollars and days to drill out the CICR, set new CICR, and squeeze the perforations.

Procedure

Company:	Denbury Resources
Lease:	Pennel
Well No.:	24-17B SWD
Field:	Pennel
Location:	T7N - R60E
Section:	17
County:	Fallon
State:	Montana
API No.:	25025052180000
Well Type:	SI Producer

Date:	5/3/2018
WI:	100%
NI:	91.42%
KB:	8
GL:	2979
DF:	2987
TD:	8,900
PBTD:	8,660
Current Perfs:	8596' - 8606'
Current Sands:	Mission Canyon

Surface/Subsurface:	Subsurface
Type of Work:	Capital

Description: Pull downhole equipment, convert to SWD

Please stress the importance of Denbury's safety culture to all personnel on location. Stress the importance of pre-tour safety meetings, JSAs, etc., and make sure that everyone on location knows they have the right to STOP THE JOB at any time!

- 1 Prior to MIRU, inspect location for any hazards and identify any specific needs for the job. Visually inspect the wellhead to order out appropriate BOPE and any necessary x-overs.
- 2 Install or test rig anchors and MIRU workover rig.
- 3 Conduct PJSM with all personnel on location covering any and all possible hazards. Fill out appropriate JSAs. Anytime the job scope is changed, by either planned or unforeseen events, this step should be repeated and updated to the current task.
- 4 Check for any H2S present and LEL's. Check for any trapped pressure and bleed off as necessary.
- 5 ND tree and NU BOPE. Kill well if needed. Inspect tree while wellwork is being conducted.
- 6 POOH with rods, pump, 2 7/8" tubing, TAC, and gas anchor.
- 7 RIH with plug and packer. Test casing above existing perfs to ensure casing integrity before proceeding ahead. Report results to engineer. Records indicate perfs @ 8596' - 8606'.
- 8 RIH and attempt to sting into CICR set @ 8660'. Records indicate the perfs @ 8718' - 8764' have not been squeezed.
If we are able to sting into CICR, establish injection rate, and squeeze perfs with 100 sx of cement. Sting out of CICR, and spot 40' of cement on top of CICR. If we are not able to sting into CICR, prep to drill out, set new CICR, squeeze perfs, and spot 50' of cement on top of CICR.
- 9
- 10 RIH with bit and scraper to TOC, record in Wellview.
- 11 R/U wireline and run CBL/CIL/CCL from TOC to inside the surface casing.
- 12 Evaluate the CBL to determine if block squeeze is needed to isolate new perf intervals.
- 13 RIH with CICR and set @ ±8500'. Records indicate open perfs @ 8596' - 8606'. Sting into CICR, establish injection rate, squeeze perfs with 100 sx of cement. Sting out of CICR and spot 200' of cement on top of the CICR (TOC @ 8300').
If there is no need for block squeeze to isolate the injection interval proceed to next step. If block squeeze is needed, contact engineer for plan forward.
- 14
- 15 R/U wireline, RIH with casing guns, perforate the injection interval (see below for perf depths).
- 16 RIH with bit and scraper to TOC, record in Wellview. Space out so scraper does not contact perfs. Circulate wellbore clean,
- 17 RIH with workstring and test packer, set packer @ ±7300' (60' above top perf). Establish injection rates into perfs, and record in Wellview.

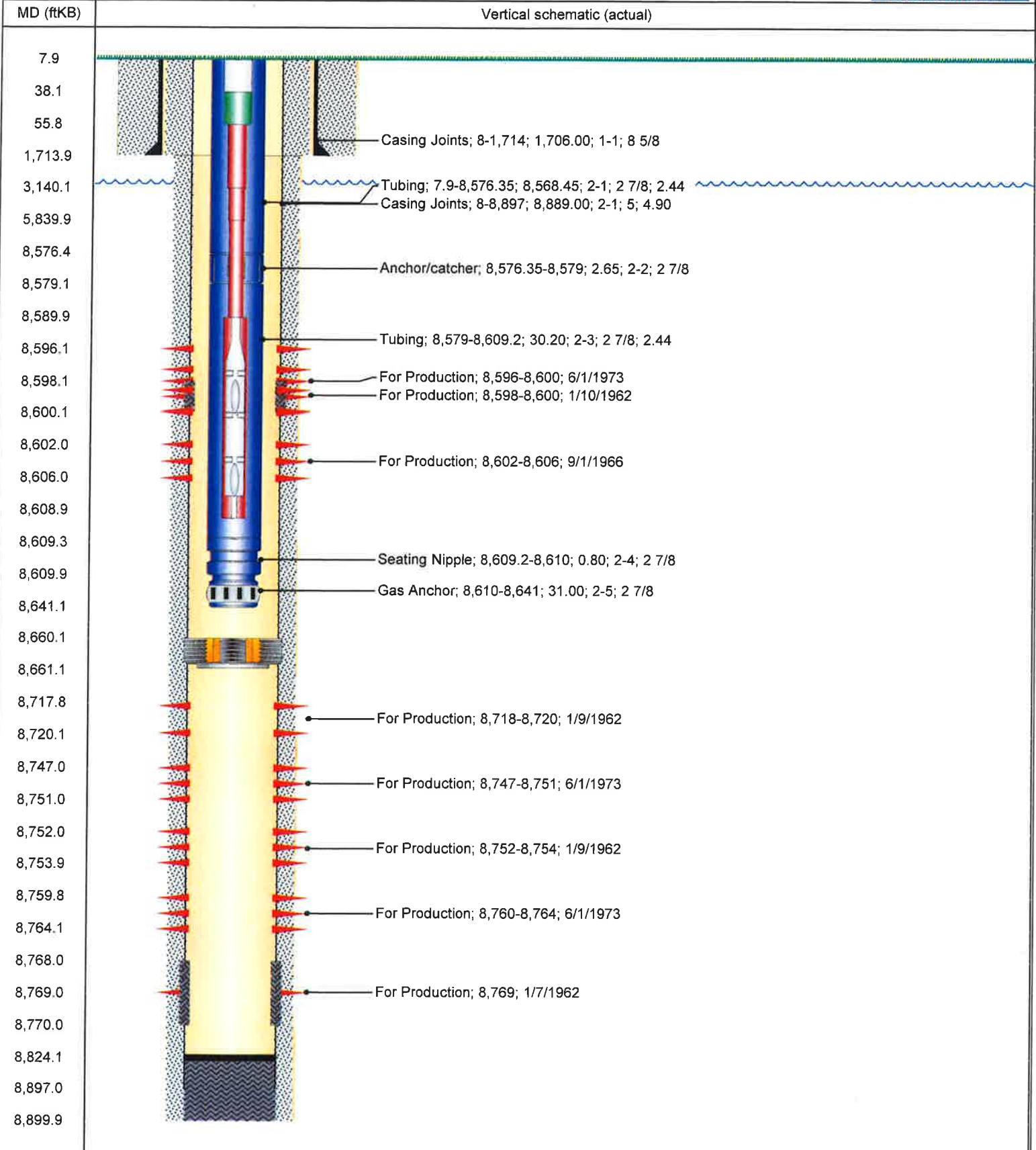
- 18 RIH and set new injection packer @ 7300' (60' above top perf). RIH with new 2 7/8" tubing, inhibit wellbore, and sting into packer. Hydro-test tubing on TIH.
- 19 MIT well according to State regulations, and have State representative present if required.
- 20 ND BOPE, NU & test wellhead.
- 21 RDMO rig.

Proposed Mission Canyon Disposal Perforations		
Set	Top	Base
1	7360	7400
2	7415	7445
3	7470	7480
4	7510	7525
5	7532	7565
6	7492	7502
7	7578	7594

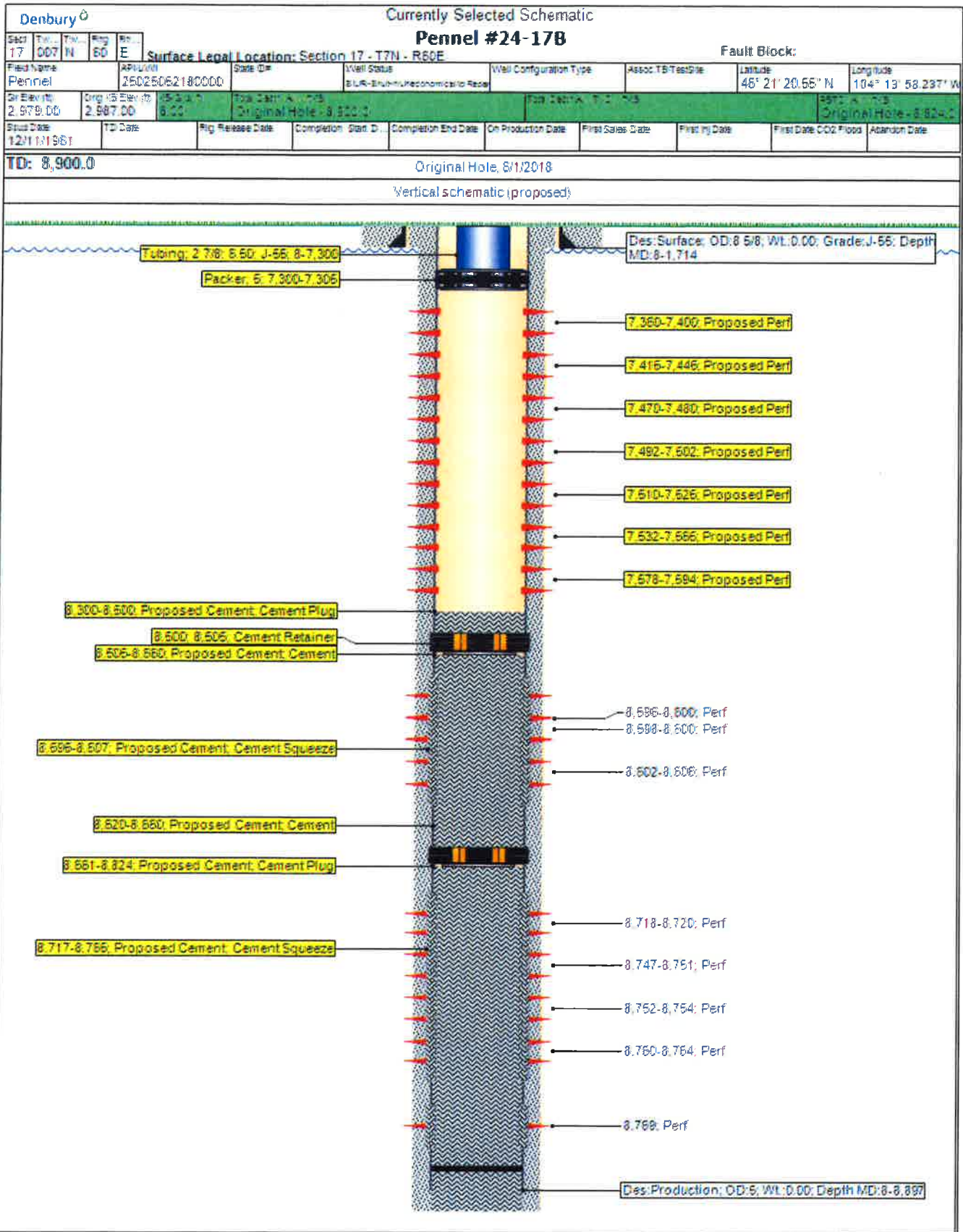
Pennel #24-17B

Sect 17	Tw... 007	Tw... N	Rng 60	Rn... E	Surface Legal Location: Section 17 - T7N - R60E				Fault Block:		
Field Name Pennel		API/UWI 25025052180000		State ID#	Well Status SIUR - Shut-in Uneconomical to Repair	Well Configuration Type	Assoc.TB/TestSite	Latitude 46° 21' 20.55" N	Longitude 104° 13' 58.237" W		
Gr Elev (ft) 2,979.00	Orig KB Elev (ft) 2,987.00	KB-Grnd (ft) 8.00	Total Depth (All) (ftKB) Original Hole - 8,900.0				Total Depth All (TVD) (ftKB)			PRTD (All) (ftKB) Original Hole - 8,824.0	
Spud Date 12/11/1961	TD Date	Rig Release Date	Completion Start D...	Completion End Date	On Production Date	First Sales Date	First Inj Date	First Date CO2 Flood	Abandon Date		

TD: 8,900.00 Original Hole, 5/4/2018 10:39:05 AM Permitted Interval = -



PROPOSED



Chronological History
Conoco So. Pac. N. P. Lease, Well No. 9

Well spudded at 10:30 P.M. on December 11, 1961. Drilled 11" hole to 1714'. Ran 34 joints 8 5/8" OD, 24#, 8rd, J-55, ST&C Casing landed at 1714' REM. Cemented casing with 550 sacks 1-1 Pozmix. Plug down 7:30 A.M. Waited on cement 18 hours. Tested casing with 1200 lbs. for thirty minutes. Tested OK.

Drilled 7 7/8" hole to 8900' total depth. Ran logs, conditioned logs. Drill stem test No. 1. 8710' to 8760' open 10 min. Shut in 30 min. Opened 2 hours. Shut in one hour. Faint blow first 30 minutes, to strong blow balance of test. Recovered 100' clean oil, 180' oil and gas cut mud and 180' water. SIP 3635# to 3228# WP 50# to 190#. HP 4648# to 4638#. Temperature 182°F.

Ran 291 joints 5 1/2" OD casing landed at 8897' REM. Two stage collar at 6030'. Cemented through shoe w/300 sacks 1-1 Pozmix. Plug down at 9:00 A.M. 1-8-62 with 2000#. Cemented thru two stage collar with 350 sacks 1-1 Pozmix. Plug down at 10:30 A.M. Closed collar with 2000#. Rotary rig released at 1:00 P.M. 1-7-62.

Moved in completion unit. Tagged cement plug at 5968'. Drilled cement and two stage collar, cleaned out to 8824'. Perforated Red River formation from 8752-54' and 8718'-8720' w/4 holes per foot using Schlumberger crack jets. Acidized perforations with 8500 gals. Swabbed well to clean up. Ran National pump cavity, Baker packer and 276 jts. tubing. Baker packer set at 8637'. Released completion unit @ 5:00 P.M. 1-30-62. Well on pump February 4, 1962. Initial potential established on February 9, 1962. Pumped 144 BOPD and 148 HWPD in 24 hours.

RECEIVED

OCT 29 1962

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF TEXAS

**MONTANA BOARD OF OIL AND GAS CONSERVATION
UNDERGROUND INJECTION CONTROL PERMIT APPLICATION**

Denbury Onshore, LLC
Well No. Pennel 24-17B
Pennel Field
Section 17, T7N-R60E
Powder River, Montana

Area of Review

The area of review (AOR) is a fixed radius of ¼ mile from the well bore of the subject well. The area of review is shown on the attached map.

Notification of Surface Owner(s)

Surface owners holding properties within the prescribed AOR were notified of Denbury's intent to apply for a permit to commence water injection into the subject well bore. Notification by registered mail was sent to the following surface owner(s):

Daphne May Burns
C/O Barry Flener
PO Box 3566
Bellevue, WA 98009-3566

Miriam I. Kirschten
PO Box 971
Baker, MT 59313-0971

Attached is a copy of the letters sent to surface owners, giving notice of our intent to apply for this injection permit.

Public Notification

Notice of intent to apply for a permit to inject water into the subject well has also been posted in the following newspapers for public inspection.

Helena Independent Record
Attn: Billie Jo Williams
P.O. Box 4249
Helena, Montana 59604-4249

Fallon County Times
Attn: Darlene Hornung
P.O. Box 679
Baker, Montana 59313-0679

Also attached is a copy of the legal notice submitted to the newspapers which provided the public with knowledge of our intent to apply for an injection permit.

Fresh Water Sources (Surface & USDW) within the AOR

No water wells exist within a ½ mile radius of the subject well.

No known surface or underground sources of drinking water will be affected by salt water injection into the subject well.

Existing Well Bores within the AOR

There are four existing wellbores that fall within the ¼ mile radius of the Pennel 24-17B. Down hole schematics for these well bores are attached.

Unit 41-17 (25-025-22191) is an active producer in the Siluro-Ordovician unit.

Unit 41-19BH (25-025-22026) is a permitted injector, currently producing in the Siluro-Ordovician unit.

Unit 33-17BH (25-025-21221) is an active injector in the Siluro-Ordovician unit.

Unit 43X-17BH (25-025-22165) is an active injector in the Siluro-Ordovician unit.

Corrective Action Proposal

No corrective action is deemed necessary for the subject well or other existing wells contained within the ¼ mile AOR.

Formation Tops

<u>Formation</u>	<u>MD (ft)*</u>
Eagle	1384'
Niobrara	2397'
Greenhorn	2987'
Newcastle	4034'
Rierdon	4942'
Piper Formation	5085'
Spearfish Formation	5303'
Minnekahta Limestone	5846'
Opeche	5880'
Minnelusa, Amsden	6067'
Kibbey	6582'
Kibbey Limestone	6645'
Charles	6767'
Mission Canyon	7137'
Lodgepole	7623'
Interlake	8247'
Stony Mountain	8538'
Red River	8696'

*KB Elevation 2987'

Injection Pressures (Minnelusa)

Surface fracture Pressure = [Fracture Gradient x Depth to Perforations] –
[S.G. of Injected Fluids x 0.433 psi/ft x Depth to
Perforations] + Tubing Friction (assumed Negligible)

Depth to top perforation = 7150'

S.G. of Injection Fluid = Approximately 1.015 (see representative water analysis)

Fracture Gradient = Approximately 0.8 psi/ft

Surface Fracture Pressure = [0.8 psi/ft x 7150'] – [1.015 x 0.433 psi/ft x 7150']
= 5720 psi – 3142 psi
= 2578 psi

Operating Data

Actual operating conditions will be limited to a pressure not exceeding fracture pressure or pressure that causes fluid to go out of zone. Based on attached calculations, we request a permit for a limiting surface pressure of 2578 psi, the fracture pressure at the Mission Canyon top perforation.

The annular space between the tubing and casing will be filled with fresh water treated with a corrosion inhibitor, a scale inhibitor and an oxygen scavenger as outlined in the construction procedures.

Injected fluids into the subject well will be field salt-water from the Pennel Unit. A representative analysis of the injectate is attached.

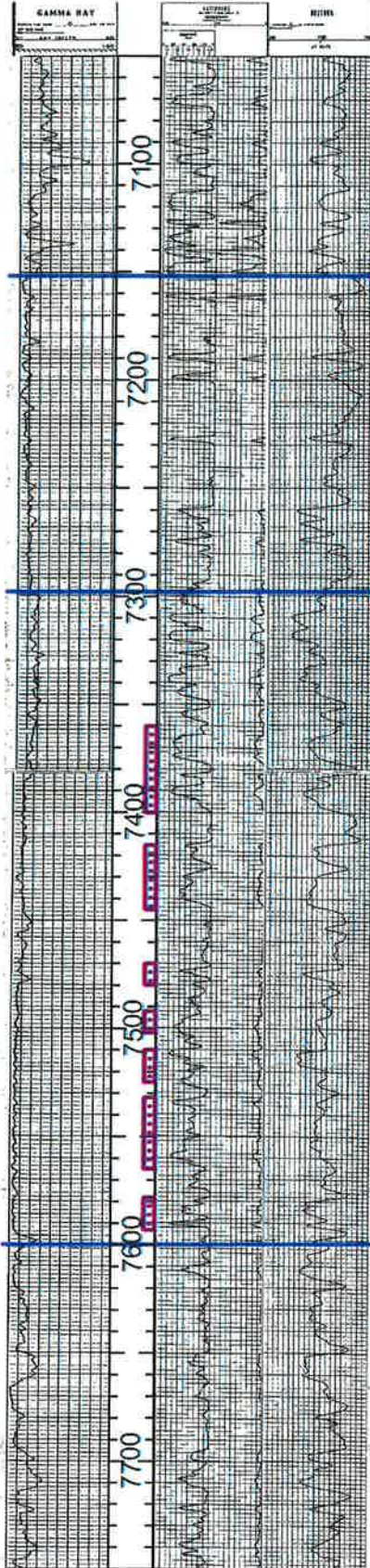
Conversion Procedures

The Pennel 24-17B is currently producing from the Siluro-Ordovician unit. Denbury desires approval to perform conversion operations on the subject well in advance of salt water disposal approval. Work on the well would proceed, however injection would not commence until official approval is received from the Board. Contract personnel, working according to Denbury's plan, specifications, and safety practices may be employed to perform some or all of the actual onsite conversion operations.

Aquifer Exemption

An Aquifer Exemption is being requested.

NP A-17
ELEV KB : 2.987
T7N R60E S17
25025052180000

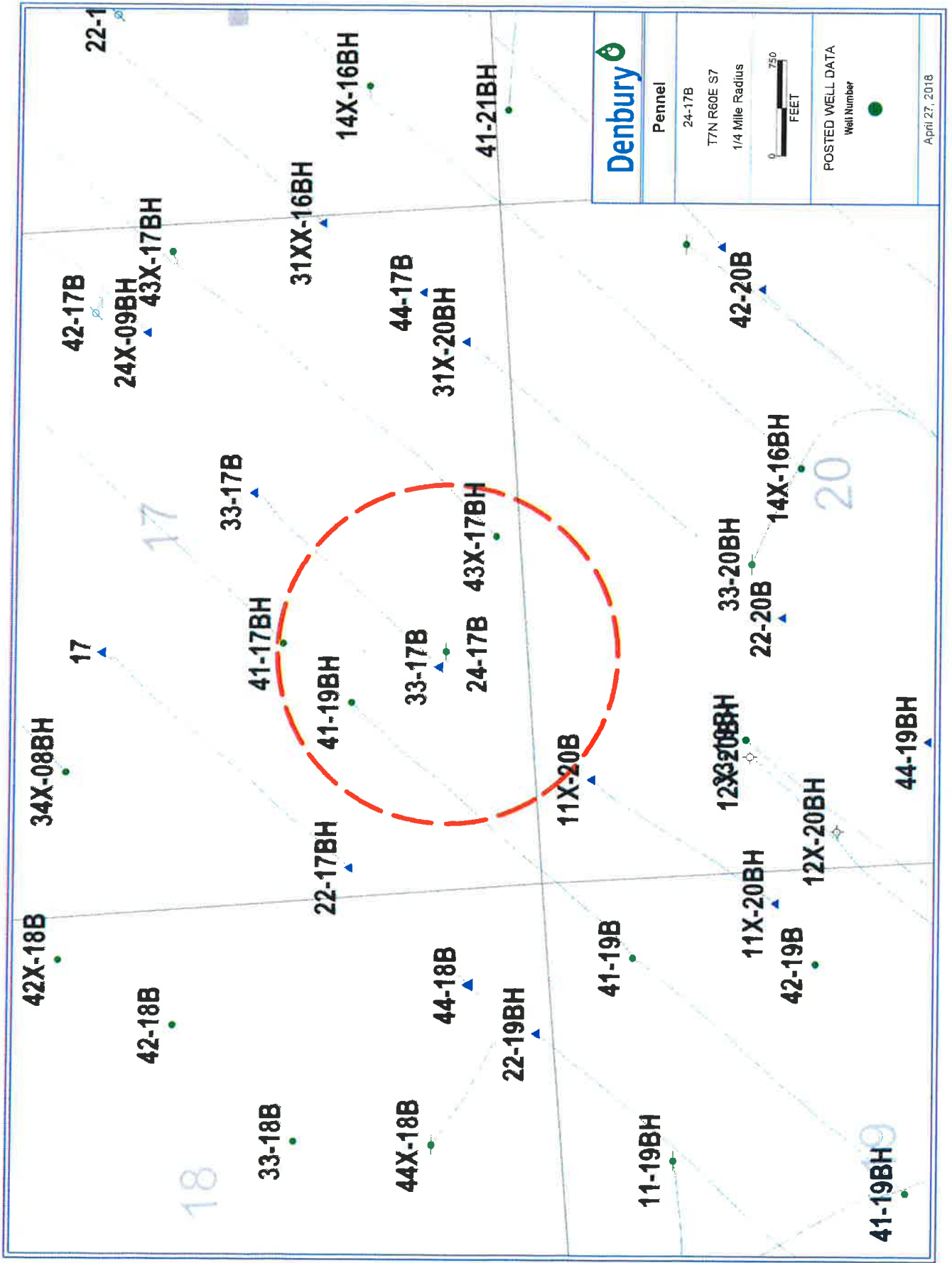


MISSION CANYON

MMC POROSITY

**Mission Canyon
Water Injection
Zone**

LODGEPOLE



Pennel
24-17B T7N R60E S7 1/4 Mile Radius
0 750 FEET
POSTED WELL DATA Well Number
April 27, 2018

Pennel #41-17BH ST

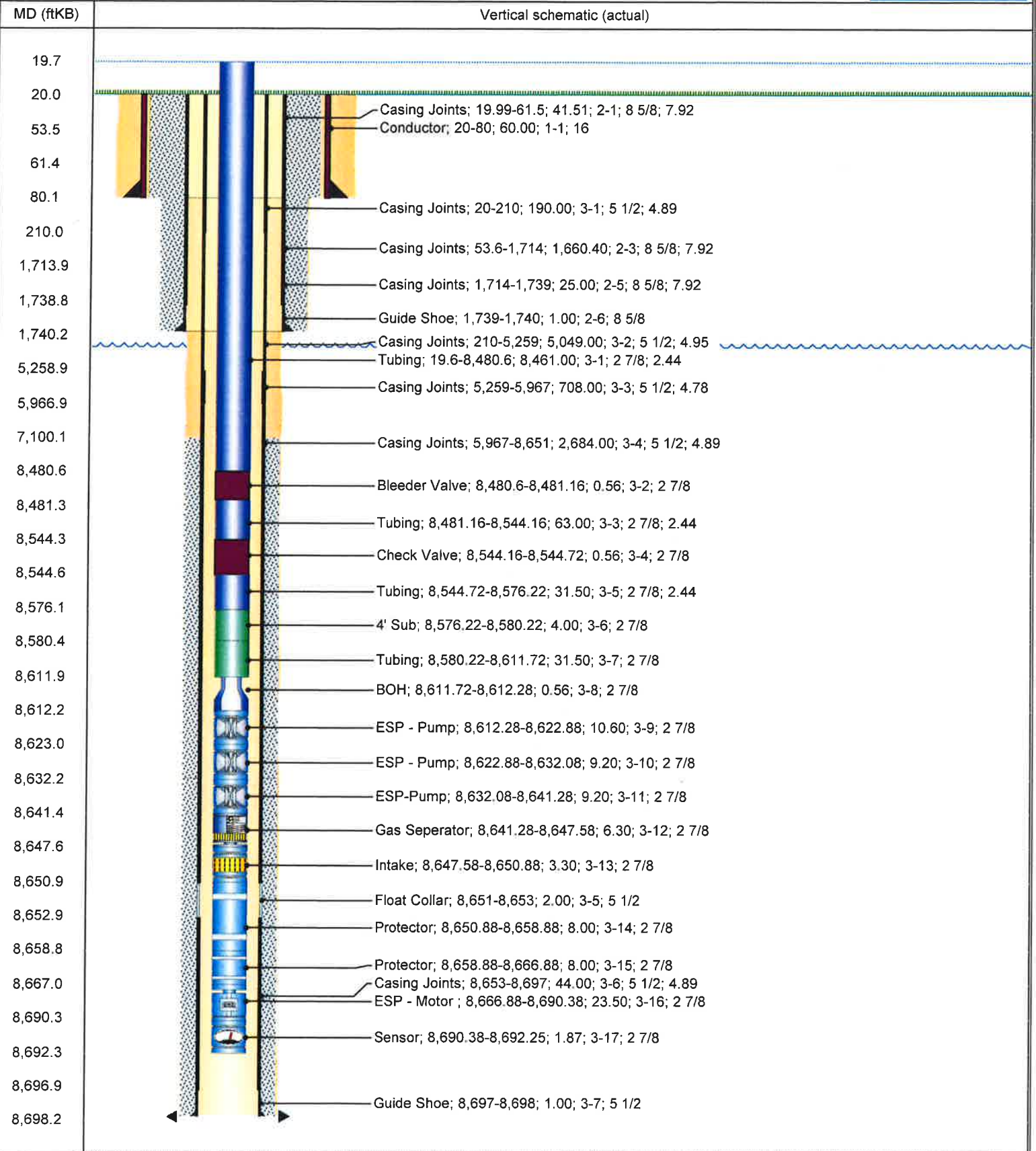
Fault Block:

Sect 17	Tw... 007	Tw... N	Rng 60	Rn... E	Surface Legal Location: Section 17 - T7N - R60E			Latitude 46° 21' 55.974" N			Longitude 104° 13' 21.841" W				
Field Name Pennel		API/UWI 25025221910000		State ID#		Well Status A - Active		Well Configuration Type		Assoc.TB/TestSite					
Gr Elev (ft) 2,972.00		Orig KB Elev (ft) 2,992.00		KB-Grd (ft) 20.00		Total Depth (All) (ftKB) Original Hole - 8,698.0; Leg 2 - 12,771.0; Leg 1 - 12,127.0			Total Depth All (TVD) (ftKB) Original Hole - 8,697.9		PBTD (All) (ftKB)				
Spud Date 3/7/2003		TD Date		Rig Release Date		Completion Start D...		Completion End Date 5/1/2003		On Production Date		First Sales Date	First Inj Date	First Date CO2 Flood	Abandon Date

TD: 8,698.00

Original Hole, 5/4/2018 2:01:45 PM

Permitted Interval = -



		X
	17	

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA
2535 ST. JOHNS AVENUE BILLINGS, MONTANA 59102



COMPLETION REPORT

Company Encore Operating, L. P. Lease Private Well No. 41-17BH

Address 777 Main Street Suite 1400 Fort Worth, TX 76102 Field (or Area) Pennel

The well is located 995 ft. from N line and 895 ft. from E line of Sec. 17
N or S E or W

Sec. 17; T. 7N R. 60E County Fallon; Elevation 2972' GL
(D.F., R.B. or G.L.)

Commenced drilling March 7, 2003; Completed May 1, 2003

Write the API# or the well name of another well on this lease if one exists _____

The information given herewith is a complete and correct record of the well. The summary on this page is for the condition of the well at the above date.

Completed as Oil Well Signed Preston Windham
(oil well, gas well, dry hole, cbm, injection) by Gas Ray

API# 25 - 025-22191 Title Preston Windham - Senior Engineer

Bottomhole Location(s): June 12, 2003

BHL Leg 1: 1953' FSL & 1973' FWL Sec 17 - T7N - R60E 12,127' MD 8766' TVD Open hole 8698' to 12,127'

BHL Leg 2: 1830' FSL & 1937' FWL Sec 9 - T7N - R60E 12,771' MD 8898' TVD Open hole 8698' to 12,771'

Note: TD vertical hole 8698'.

IMPORTANT ZONES OF POROSITY

(denote oil by O, gas by G, water by W; state formation if known)

From 8965 to 11,246 O & W RR U4 Leg 1 From _____ to _____
From 11,520 to 12,127' O & W RR U4 Leg 1 From 12,186' to 12,243' O & W RR U4 Leg 2
From 8939 to 12,030' O & W RR U4 Leg 2 From 12,375' to 12,771' O & W RR U4 Leg 2

CASING RECORD

Size Casing	Weight Per Ft.	Grade	Thread	Casing Set	From	To	Sack of cement	Cut And Pulled from
8 5/8"	24	J-55	ST&C	1740	0	1740	510	
5 1/2"	17,15.5,20	L80 J55 P110	LT&C	8,698	0	8698	745	

TUBING RECORD

Size Tubing	Weight Per Ft.	Grade	Thread	Amount	Perforations
2 7/8"	6.5	L-80	8rd	275 jts	

COMPLETION RECORD

Rotary tools were used from Surface to TD

Cable tools were used from --- to ---

Total depth see above ft.; Plugged back to --- T.D.; Open hole from see above to above

PERFORATIONS			ACIDIZED, SHOT, SAND FRACED, CEMENTED			
Interval		Number and Size and Type	Interval		Amount of Material Used	Pressure
From	To		From	To		
			8,698	12,127	4300 gal 15% HCl	
		none - open hole	8698	12,771	2900 gal 15% HCl	

(if P&A show plugs above)

INITIAL PRODUCTION

Well is producing from Red River (pool) formation.

I.P. 201 barrels of oil per 24 hours pumping (test date 5/8/03)

48 MCF of gas per 24 hours. (Pumping or flowing)

561 barrels of water per 24 hours, or 73.6 % W.C.

Initial 10-day average production _____ (bbl./day) (if taken)
 Pressures (if measured): Tubing _____ psi flowing; _____ psi shut-in
 Casing _____ psi flowing; _____ psi shut-in
 Gravity _____ ° API (corrected to 60°F.)
 Formation Volume Factor _____ Porosity _____ % Average Connate water _____ %
 Type of trap _____
 Producing mechanism Water Flood

DRILL STEM TESTS

D.S.T. No.	From	To	Tool Open (Min.)	Shut-in	F.P.	S.I.P.	Recovery	Cushion
							No DST's run	

CORES

No.	Interval	Recovered
		Not cored

LOG RUNS

Type	From	To
CBL GR/CCL w/VDL Display	8695	3,290
Mud Log - Vertical Hole	8698	7,600
Mud Log Leg 1 & Leg 2	12,127/12,771	8700

**FORMATION RECORD
(ELECTRIC LOG TOPS)**

From	To	FORMATION	Top of Formation
		Greenhorn	3,134
		Belle Fourche	3,264
		Dakota	4,172
		Rierdon	4,900
		Pine Salt	5,501
		B Salt	5,660
		Minnekahta	5,947
		Opeche	5,980
		Minnelusa	6,166
		Charles B	6,829
		Mission Canyon	7,090
		Lodgepole	7,658
		Lodgepole 9	8,011
		Interlake	8,318
		Stony Mountain	8,603
		Red River	8,761
		Red River U4	8,912

(Use additional sheets where needed to complete description)

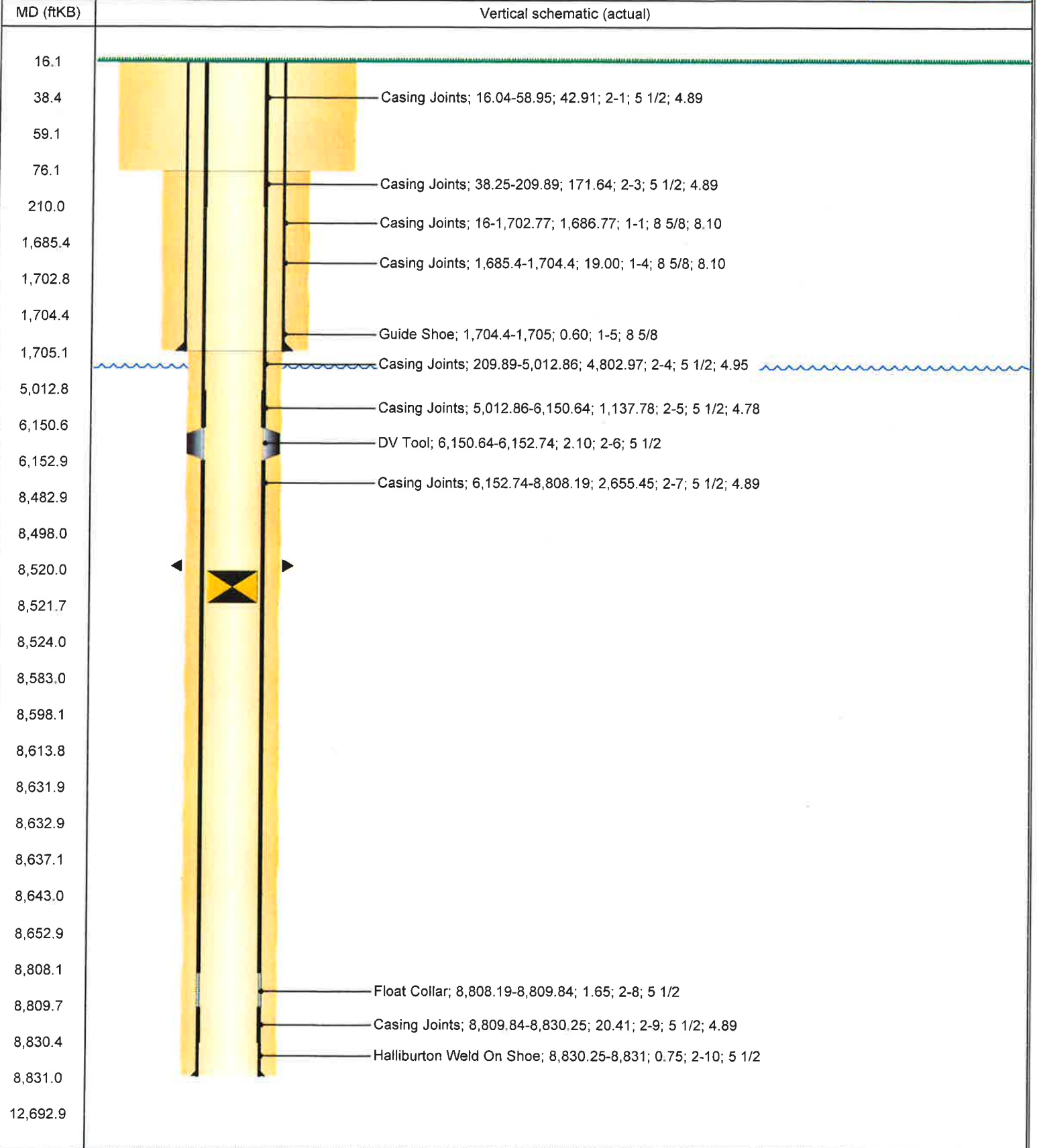
Pennel #41-19BH ST

Surface Legal Location: Sec 19, T7N - R60E

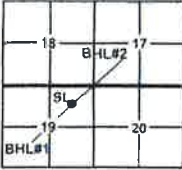
Fault Block:

Field Name Pennel	API/UWI 25025220260000	State ID#	Well Status A - Active	Well Configuration Type Multiple Laterals	Assoc.TB/TestSite	Latitude 46° 21' 7.374" N	Longitude 104° 14' 33.338" W		
Gr Elev (ft) 2,955.00	Orig KB Elev (ft) 2,971.00	KB-Grd (ft) 16.00	Total Depth (All) (ftKB) Original Hole - 8,831.0; UAA Lateral #1 - 11,207.0; UAA Lateral #2 - 11,555.0		Total Depth All (TVD) (ftKB) Original Hole - 8,525.8; UAA Lateral #1 - 8,593.2; UAA Lateral #2 - 8,740.5		PBTD (All) (ftKB)		
Spud Date 1/30/2007	TD Date	Rig Release Date	Completion Start D...	Completion End Date 2/28/2007	On Production Date	First Sales Date	First Inj Date	First Date CO2 Flood	Abandon Date

TD: 8,831.00 Multiple Laterals - Original Hole, 5/1/2018 3:53:24 PM Permitted Interval = -



LOCATE WELL CORRECTLY



(SUBMIT IN TRIPLICATE)
TO

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA
2535 ST. JOHNS AVENUE BILLINGS, MONTANA 59102

RECEIVED

ARM 36.22.307
ARM 36.22.1011
ARM 36.22.1013
ARM 36.22.1414

JUN 14 2007

MONTANA DEPARTMENT OF
& GAS CONSERVATION

COMPLETION REPORT

Company Encore Operating, L. P. Lease Pennel (Private) Well No. 41-19BH

Address 777 Main Street Suite 1400 Fort Worth, TX 76102 Field (or Area) Pennel

The well is located 660 ft. from N line and 585 ft. from E line of Sec. 19
N or S E or W

Sec. 19 : T. 7N R. 60E County Fallon ; Elevation GL: 2952, KB: 2966
(D.F., R.B. or G.L.)

Commenced drilling January 30, 2007 ; Completed February 28, 2007

Write the API# or the well name of another well on this lease if one exists _____

The information given herewith is a complete and correct record of the well. The summary on this page is for the condition of the well at the above date.

Completed as Oil - Horizontal Re-entry Signed [Signature]
(oil well, gas well, dry hole, cbm, injection)

API# 25 - 02422026 Title Tommy J. Yates - Sr. Staff Eng. Tech.

Bottomhole Location(s): Date June 14, 2007

BHL #1: SW RRU4A OH Leg: SW-NE Sec. 19, 2633' FNL & 2556' FEL, T7N-R60E Fallon County, MT.

MD = 11367' TVD = 8593' Open hole from 8506' -11367'

BHL #2: NE RRU4A OH Leg: NE-SW Sec. 17, 1424' FSL & 1526' FWL, T7N-R60E Fallon County, MT.

MD = 11555' TVD = 8741' Open hole from 8506' -11555'

IMPORTANT ZONES OF POROSITY

(denote oil by O, gas by G, water by W: state formation if known)

From 8506 to 11555 MD RRU4A O,W,G From _____ to _____
From _____ to _____ From _____ to _____
From _____ to _____ From _____ to _____

CASING RECORD

Size Casing	Weight Per Ft.	Grade	Thread	Casing Set	From	To	Sacks of cement	Cut And Pulled from
8 5/8 Existing	24	J-55		1705	0	1705	400 + 270	
5 1/2 Existing	15.5, 17, 20	J-55, L-80, P-110		8831	0	6150 DV	284 + 556	
					6150	8831	132 + 664	

TUBING RECORD

Size Tubing	Weight Per Ft.	Grade	Thread	Amount	Perforations
2-7/8	6.5	L-80	8rd	8483	---

COMPLETION RECORD

Rotary tools were used from Surface to TD

Cable tools were used from --- to ---

Total depth 11555 MD 8741 TVD ft.; Plugged back to vertical well 8520 T.D.; Open hole from 8506 to 11555

PERFORATIONS			ACIDIZED, SHOT, SAND FRACED, CEMENTED			
Interval From	Interval To	Number and Size and Type	Interval		Amount of Material Used	Pressure
			From	To		
		Openhole Completion - No new perforations were added during horizontal re-entry.	7174	7200	250sx sqz existing MC perms (1/16/07)	
			8290	8494	250sx sqz existing IL perms (1/21/07)	
			8505	8510	Set whipstock @ 135 deg (1/29/07)	
			8506	8517	Cut csg window (1/30/07)	

(if P&A show plugs above)

INITIAL PRODUCTION

Well is producing from (Ordovician) Red River (pool) formation.

I.P. 133 barrels of oil per 24 hours Pumping
(Pumping or flowing)

19 MCF of gas per 24 hours.

512 barrels of water per 24 hours, or _____ % W.C.

RECEIVED

JUN 19 2007

Initial 10-day average production --- (bbl./day) (if taken)

Pressures (if measured): Tubing --- psi flowing: --- psi shut-in

Casing --- psi flowing: --- psi shut-in

Gravity 29.8 ° API (corrected to 60°F.)

Formation Volume Factor --- Porosity --- % Average Connate water --- %

Type of trap ---

Producing mechanism Water Flood

DRILL STEM TESTS

D.S.T No.	From	To	Tool Open (Min.)	Shut-in	F.P.	S.I.P.	Recovery	Cushion
							No DST's run	

CORES

No.	Interval	Recovered
		Not cored

LOG RUNS

Type	From	To
Mud Log	8517	11555
Directional Survey	8455	11555

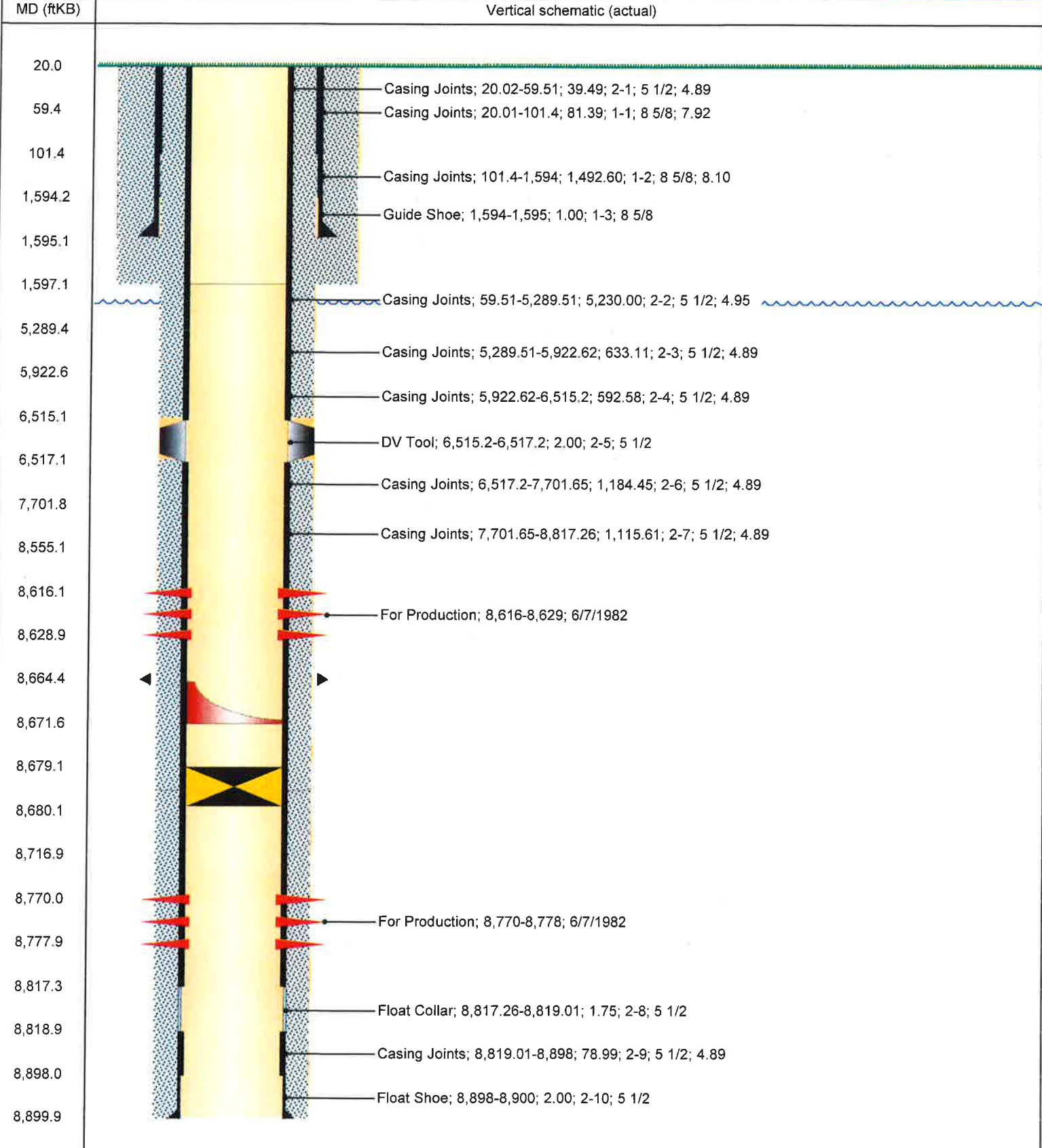
FORMATION RECORD
(ELECTRIC LOG TOPS)

From	To	FORMATION	Top of Formation
		See Historic Completion Data for Formation Tops.	
		<p>Remarks: The Pennel 41-19B was previously a shut in, permitted water injector which was never converted from production, prior to being horizontally re-entered with the addition of opposing Red River U4A legs to the SW and NE. The re-entry prep work was carried out from 1/17/07 to 1/23/07 using a daylight workover unit.</p> <p>Nabors rig 812 spudded the transition curve on 1/30/07. A 2789' long SW leg and 2967' NE leg drilled into the RRU4A before releasing the rig on 2/18/07.</p> <p>A daylight workover unit moved onsite on 2/23/07 and recompled the 41-19BH as a pumping horizontal producer on 2/28/07.</p>	

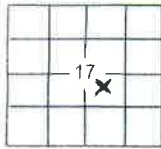
(Use additional sheets where needed to complete description)

Sect 17	Tw... 007	Tw... N	Rng 60	Rn... E	Surface Legal Location: Section 17 - T7N - R60E				Fault Block:			
Field Name Pennel		API/UWM 25025212210000		State ID#		Well Status A - Active		Well Configuration Type Horizontal		Assoc.TB/TestSite	Latitude 46° 21' 34.482" N	Longitude 104° 13' 39.3" W
Gr Elev (ft) 2,968.00	Orig KB Elev (ft) 2,988.00	KB-Grd (ft) 20.00	Total Depth (All) (ftKB) Leg 1 - 10,621.0; Original Hole - 8,900.0				Total Depth All (TVD) (ftKB)			PBTD (All) (ftKB)		
Spud Date	TD Date	Rig Release Date	Completion Start D...	Completion End Date	On Production Date	First Sales Date	First Inj Date	First Date CO2 Flood	Abandon Date			

TD: 8,900.00 Horizontal - Original Hole, 5/1/2018 2:35:29 PM **Permitted Interval = -**



LOCATE WELL CORRECTLY



(SUBMIT IN TRIPLICATE)
TO
BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA
BILLINGS OR SHELBY

Form No. 4 R 4-85



ARM 36.22.307
ARM 36.22.1011
ARM 36.22.1013

COMPLETION REPORT

Company Encore Operating, L. P. Lease Unit Well No. 33-17BH

Address 777 Main St. Suite 1400 Fort Worth, TX 76102 Field (or Area) Pennel

The well is located Surface 2068 ft. from (N) line and 2128 ft. from (E) line of Sec. 17
BHL: ~~1860'~~ 1703' FWL Sec 17 - 7N - 60E 714' FS

Sec. 17 ; T. 7N ; R. 60E ; County Fallon ; Elevation 2968' GL
(D.F., R.B, or G.I.)

Commenced drilling 22-Jul, 20 01 ; Completed 6-Aug, 20 01

Write the API # or the well name of another well on this lease if one exists

The information given herewith is a complete and correct record of the well. The summary on this page is for the condition of the well at the above date.

Completed as Oil Well Signed [Signature]
(oil well, gas well, dry hole)

API# 25- 025-21221 (horizontal re-entry) Title Preston M. Windham - Senior Engineer

Date September 6, 2001

IMPORTANT ZONES OF POROSITY

(denote oil by O, gas by G, water by W; state formation if known)

From 8,807 to 10,621 O Red River U4 From to
From to From to
From to From to
From to From to

CASING RECORD

Size Casing	Weight Per Ft.	Grade	Thread	Casing Set	From	To	Sacks of Cement	Cut and Pulled from
8 5/8"	24			1595	0	1595	760	
5 1/2"	15.5 & 17	S95 & K55		8900	0	8900	2050	

TUBING RECORD

Size Tubing	Weight Per Ft.	Grade	Thread	Amount	Perforations
2 7/8"	6.5	N-80	8 rd	273 jts	

COMPLETION RECORD

Rotary tools were used from Surface to TD

Cable tools were used from --- to ---

Total depth 10,621' MD ft.; Plugged back to -- T.D.; Open hole from 8666' to 10,621'
8748' TVD

PERFORATIONS			ACIDIZED, SHOT, SAND FRACED, CEMENTED			
Interval		Number and Size and Type	Interval		Amount of Material Used	Pressure
From	To		From	To		
		NONE				
		horizontal open hole			NONE	

(If P&A show plugs above)

INITIAL PRODUCTION

Well is producing from Red River (pool) formation.

I.P. 77 barrels of oil per 24 hours pumping

17 Mcf of gas per 24 hours. (pumping or flowing)

38 barrels of water per 24 hours, or 33 % W.C.

Initial 10-day average production _____ N/A _____ (bbl./day) (if taken)
 Pressures (if measured): Tubing _____ N/A _____ psi flowing; _____ N/A _____ psi shut-in
 Casing _____ N/A _____ psi flowing; _____ N/A _____ psi shut-in

Gravity _____ N/A _____ ° API (corrected to 60° F.)
 Formation Volume Factor _____ N/A _____ Porosity _____ N/A _____ % Average Connate water _____ N/A _____ %
 Type of trap _____ N/A _____
 Producing mechanism _____ Waterflood _____

DRILL STEM TESTS

D.S.T. No.	From	To	Tool Open (Min.)	Shut-in	F.P.	S.L.P.	Recovery	Cushion
	NONE							

CORES

No.	Interval	Recovered
	NONE	

LOG RUNS

Type	From	To
Mud Log	10,621	8,600
Horizontal Profile	10,621	8,550

FORMATION RECORD
(ELECTRIC LOG TOPS)

From	To	FORMATION	Top of Formation
		*** See previous submitted historical information for formation info ***	

(Use additional sheets where needed to complete description)

LOCATE WELL CORRECTLY

(SUBMIT IN TRIPLICATE)
TO
BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA
BILLINGS OR SHELBY

COMPLETION REPORT



Form No. 4

ARM 36.22.307
ARM 36.22.1011
ARM 36.22.1013

10

Company SHELL OIL COMPANY Lease UNIT Well No. 33-173
 Address ATTN: P.G. GELLING P.O. Box 831 HOUSTON TX 77001 RM # 6459 WCK Field (or Area) PENNEL
 The well is located 2068 ft. from (S) line and 2128 ft. from (W) line of Sec. 17
 Sec. 17; T. 7N; R. 6DE; County FALLON; Elevation 2968' GL
 (D.F., R.B. or G.L.)
 Commenced drilling 3-22, 1982; Completed 6-22, 1982

The information given herewith is a complete and correct record of the well. The summary on this page is for the condition of the well at the above date.

Completed as oil well (oil well, gas well, dry hole)
 Signed W.F.N. KELLDORF
 Title DIVISION PRODUCTION ENGINEER
 Date 7-13-82

IMPORTANT ZONES OF POROSITY
(denote oil by O, gas by G, water by W; state formation if known)

From _____	to _____	From _____	to _____
From _____	to _____	From _____	to _____
From _____	to _____	From _____	to _____
From _____	to _____	From _____	to _____

CASING RECORD

Size Casing	Weight Per Ft.	Grade	Thread	Casing Set	From	To	Sack of Cement	Cut and Pulled from
18"				40'				
8 5/8"	24#			1595'			760 SK	
5 1/2"	17# - 15.5#			8900'			2090 SK	

TUBING RECORD

Size Tubing	Weight Per Ft.	Grade	Thread	Amount	Perforations
2 7/8"					

COMPLETION RECORD

Rotary tools were used from 2962' to 8900'
 Cable tools were used from _____ to _____
 Total depth 8900 ft.; Plugged back to 8360 T.D.; Open hole from _____ to _____

PERFORATIONS			ACIDIZED, SHOT, SAND FRACED, CEMENTED			
Interval		Number and Size and Type	Interval		Amount of Material Used	Pressure
From	To		From	To		
8770	8778	2 shorts	8770	8778	1200 GALS 2896 HCL	
8616	8629	PER FOOT	8616	8629	2000 GALS 2896 HCL	

(If P/A show plugs above)

INITIAL PRODUCTION

Well is producing from Red River/Story Mtn (pool) formation.
 LP. 13 barrels of oil per 24 hours PUMPING
 (pumping or flowing)
3 Mcf of gas per 24 hours
118 barrels of water per 24 hours, or 90 % W.C.
 (OVER)

Initial 10-day average production _____ (bbl./day) (if taken)
 Pressures (if measured): Tubing _____ psi flowing; _____ psi shut-in
 Casing _____ psi flowing; _____ psi shut-in
 Gravity _____ ° API (corrected to 60° F.)

DRILL STEM TESTS

D.S.T. No.	From	To	Tool Open (Min.)	Shut-In	F.P.	S.I.P.	Recovery	Cushion

CORES

No.	Interval	Recovered

LOG RUNS

Type	From	To
NEUTRON W/GAMMA		
CAL/VS/LG/L W/GR		

FORMATION RECORD

(Need not be filled out if Geologist sample description filed with Commission)

From	To	SAMPLE AND CORE NO. AND DESCRIPTION	Top of Formation
		KIBBEY LIME	6670
		CHARLES B	6790
		MISSION CANYON	7046
		LOGGPOLE	7617
		INTERLAKE	8285
		STONY MTD	8555
		2N 7	8617
		STONY MTD. SHALE	8659
		RED RIVER	8717
		U4	8769
		U5	8786
		U6	8819

Pennel #43X-17BH ST

Sect	Tw...	Tw...	Rng	Rn...
17	007	N	60	E

Surface Legal Location: Section 17 - T7N - R60E

Fault Block:

Field Name Pennel	API/UJM 25025221650000	State ID#	Well Status A - Active	Well Configuration Type	Assoc.TB/TestSite	Latitude 46° 21' 39.631" N	Longitude 104° 13' 12.083" W
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Gr Elev (ft) 2,984.00	Orig KB Elev (ft) 3,004.00	KB-Grd (ft) 20.00	Total Depth (All) (ftKB) Original Hole - 8,722.0; Leg 1 - 12,420.0; Leg 2 - 13,852.0	Total Depth All (TVD) (ftKB) Leg 2 - 8,932.7	PBTD (All) (ftKB)
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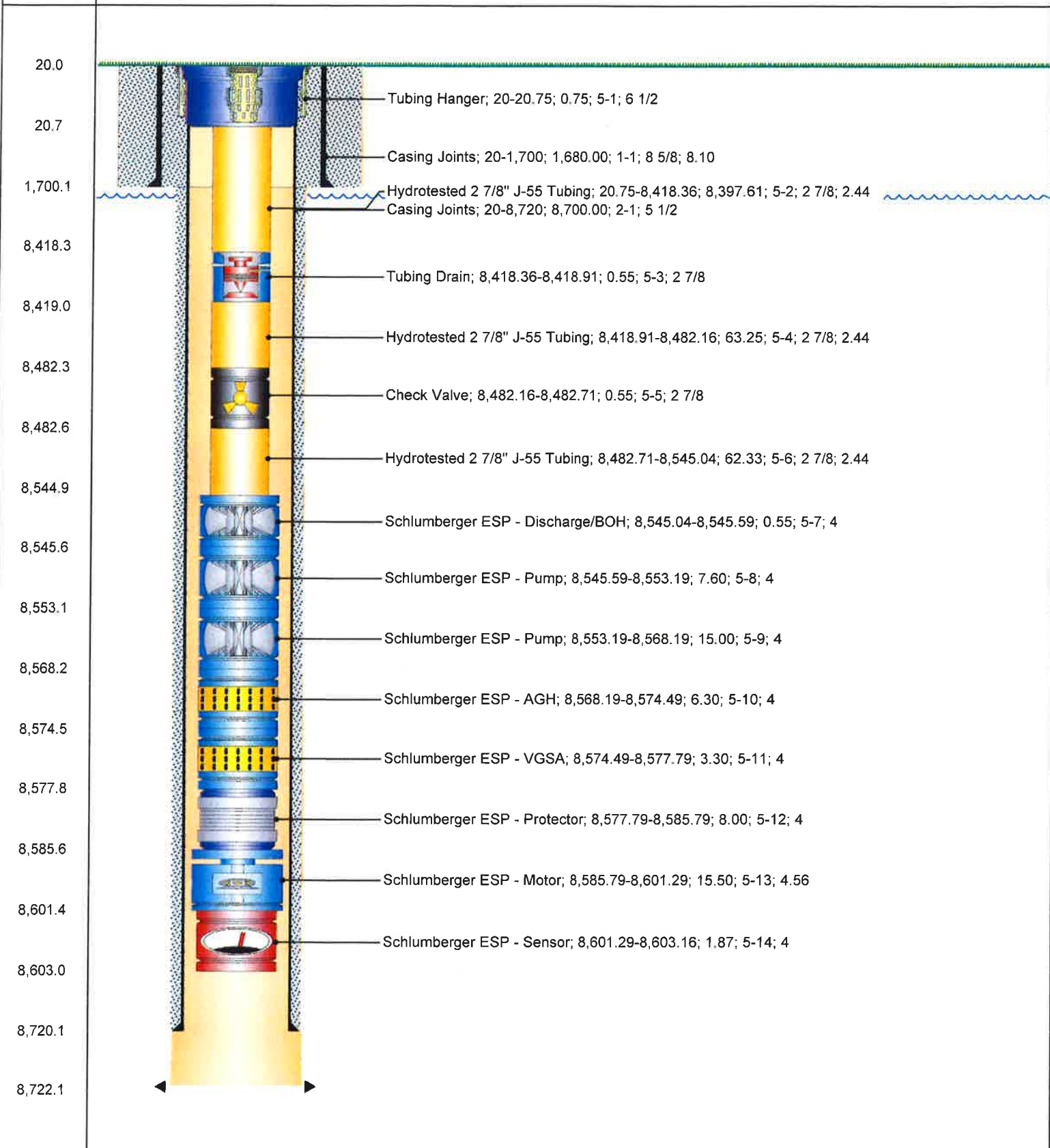
Spud Date 3/29/2003	TD Date	Rig Release Date	Completion Start D.	Completion End Date 5/25/2003	On Production Date	First Sales Date	First Inj Date	First Date CO2 Flood	Abandon Date
------------------------	---------	------------------	---------------------	----------------------------------	--------------------	------------------	----------------	----------------------	--------------

TD: 8,722.00

Original Hole, 5/1/2018 2:35:49 PM

Permitted Interval = -

MD (ftKB) Vertical schematic (actual)



LOCATE WELL CORRECTLY

	17		X

(SUBMIT IN TRIPLICATE)
TO

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA
2535 ST. JOHNS AVENUE BILLINGS, MONTANA 59102

ARM 36.22.307
ARM 36.22.1011
ARM 36.22.1013
ARM 36.22.1414



COMPLETION REPORT

Company Encore Operating, L. P. Lease Private Well No. 43X-17BH

Address 777 Main Street Suite 1400 Fort Worth, TX 76102 Field (or Area) Pannel

The well is located 2579 ft. from S line and 220 ft. from E line of Sec. 17
N or S E or W

Sec. 17 : T. 7N R. 60E County Fallon ; Elevation 2995.6' GL
(D.F., R.B. or G.L.)

Commenced drilling March 29, 2003 ; Completed May 25, 2003

Write the API# or the well name of another well on this lease if one exists _____

The information given herewith is a complete and correct record of the well. The summary on this page is for the condition of the well at the above date.

Completed as Oil Well Signed [Signature]
(oil well, gas well, dry hole, cbm, injection)

API# 25 - 025-22165 Title Preston Windham - Senior Engineer

Boltomhole Location(s): 53 FAL 20 Date July 2, 2003
BHL Leg 1: 53' FSL & 2426' FWL Sec 17 - T7N - R60E 12,420' MD 8779' TVD Open hole 8722' to 12,420'
BHL Leg 2: 500' FSL & 2007' FEL Sec 9 - T7N - R60E 13,652' MD 9319' TVD Open hole 8722' to 13,652'
Note: TD vertical hole 8720'

IMPORTANT ZONES OF POROSITY
(denote oil by O, gas by G, water by W; state formation if known)

From 8997 to 12,240 O & W Red River U4 leg 1 From _____ to _____
From 8,884 to 13,652 O & W Red River U4 leg 2 From _____ to _____
From _____ to _____ From _____ to _____

CASING RECORD

Size Casing	Weight Per FL	Grade	Thread	Casing Set	From	To	Sack of cement	Cut And Pulled from
8 5/8 "	24	J-55	ST&C	1700	0	1700	510	
5 1/2"	17,15.5,20	L-80, K-55	LT&C	8,720	0	8720	745	
		J-55 & P-110						

TUBING RECORD

Size Tubing	Weight Per FL	Grade	Thread	Amount	Perforations
2 7/8"	6.5	L-80	8rd	274 jts	

COMPLETION RECORD

Rotary tools were used from Surface to TD
Cable tools were used from --- to ---
Total depth see above ft.; Plugged back to --- T.D.; Open hole from see above to above

PERFORATIONS			ACIDIZED, SHOT, SAND FRACED, CEMENTED			
Interval		Number and Size and Type	Interval		Amount of Material Used	Pressure
From	To		From	To		
		none - open hole	8,722	12,420'	3800 gal 15% HCl	Leg 1
			8722	13,652'	4500 gal 15% HCl	Leg 2

(If P&A show plugs above)

INITIAL PRODUCTION

Well is producing from Red River (pool) formation.
I.P. 32 barrels of oil per 24 hours pumping (test date 5/29/03)
(Pumping or flowing)
28 MCF of gas per 24 hours.
414 barrels of water per 24 hours, or 92.8 % W.C.

To: FALLON COUNTY TIMES
Re: LEGAL NOTICES

Comments:

PLEASE POST THE FOLLOWING LEGAL NOTICE(S) IN YOUR PUBLICATION TO APPEAR ONE TIME AS SOON AS POSSIBLE.

PLEASE SEND A SIGNED AND DATED AFFADAVIT TO THE MONTANA BOARD OF OIL & GAS CONSERVATION (ATTN: GEORGE HUDAK) ATTESTING TO THE PUBLICATION OF THE NOTICE(S) ALONG WITH A PUBLISHED COPY OF THE NOTICE(S). THE BOARD'S MAILING ADDRESS IS:

**MBOGC
ATTN: GEORGE HUDAK
2535 ST. JOHNS AVE.
BILLINGS, MT 59102**

PLEASE MAIL A COPY OF THE NOTICE(S) TO ME AT OUR PLANO ADDRESS LISTED BELOW. ALSO, PLEASE BILL ALL CHARGES FOR YOUR SERVICES TO MY ATTENTION AS WELL:

**DENBURY ONSHORE, LLC
ATTN: NAOMI JOHNSON
5320 LEGACY DRIVE
PLANO, TX 75024**

FOR QUESTIONS REGARDING THIS MATTER, PLEASE CONTACT NAOMI JOHNSON AT (972) 673-2552 OR EMAIL TO naomi.johnson@denbury.com.

THANKS!

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

In the Matter of the application of)
)
Denbury Onshore, LLC)
)
for a Permit to Convert an Existing Well to Water Injection Use.)
)

NOTICE OF
INTENTION TO APPLY
FOR A CLASS II INJECTION
WELL PERMIT

1. Name and address of Applicant:
Denbury Onshore, LLC
5320 Legacy Drive
Plano, TX 75024

2. Legal Description including County and Approximate Footages of Surface Location of Proposed Oil and Gas Well:
(and projected bottom-hole location, if a directional or horizontal well)

Pennel 24-17B Location: SESW, 660' FSL & 1880' FWL, Sec. 17, T7N-R60E Fallon County, MT.

3. Source of fluids to be injected:

Produced Water from Denbury Onshore, LLC Operations located in the Pennel Field.

4. Zone or formation, including depth, into which fluid will be injected.

Madison Formation at approximately 7150'-7600'.

5. Statement that an Aquifer Exemption will or will not be requested.

An Aquifer Exemption is being requested.

Notice is hereby given that an application for a Class II injection Well Permit at the surface location set forth above will be filed with the Montana Board of Oil and Gas Conservation. Pursuant to Rules 36.22.1409, Administrative Rules of Montana, a public hearing will be held regarding said application. The hearing will be held at the Board of Oil & Gas in the Conservation Hearing Room, Billings, Montana on **Thursday, June 14, 2018**. An interested party may demand opportunity to be heard by the Montana Board of Oil and Gas Conservation concerning said application.

Montana Board of Oil and Gas Conservation
2535 St. Johns Avenue
Billings MT 59102
Office: (406) 656-0040
Fax: (406) 655-6015

CLASSIFIEDS FROM PAGE 12

contrary to the public interest, where, owing to special conditions, a literal enforcement of the provisions of the ordinance will result in unnecessary hardship and so that the spirit of the ordinance shall be observed and substantial justice done.

(2) In exercising the above-mentioned powers, such board may, in conformity with the provisions of this part, reverse or affirm, wholly or partly, or modify the order, requirement, decision, or determination appealed from and may make such order, requirement, decision, or determination as ought to be made and to that end shall have all the powers of the officer from whom the appeal is taken. 18-20c

Notice Of Location And Method For Counting Absentee Ballots

Notice is hereby given by the undersigned Clerk of Baker Public Schools, School District No. 12, Fallon County, State of Montana that Absentee Ballots for the School Election held on the 8th day of May, 2018, will be counted at the following location on Election Day:

Longfellow School Gymnasium Lobby 115 W. Lincoln Ave Baker, Mont., 59213

And these Absentee Ballots will be counted using the following method - hand counting, by the election judges.

DATED this 28th day of April, 2018.

S/Jennifer Mettler District Clerk Baker Public Schools 18c

Before The Board Of Oil And Gas Conservation Of The State Of Montana

NOTICE OF INTENTION TO APPLY FOR A CLASS II INJECTION WELL PERMIT

In the Matter of the application of Denbury Onshore, LLC for a Permit to Convert an Existing Well to Water Injection Use.

- 1. Name and address of Applicant: Denbury Onshore, LLC 5320 Legacy Drive Plano, Texas 75024

- 2. Legal Description including County and Approximate Footage of Surface Location of Proposed Oil and Gas Well: land projected bottom-hole location, if a directional or horizontal well) Permit 24-178 Location: SE5W, 660' F51 & 1880' FWL, Sec. 17, T7N-R60E Fallon County, MT.

- 3. Source of fluids to be injected: Produced Water from Denbury Onshore, LLC Operations located in the Permian Field.

- 4. Zone or formation, including depth, into which fluid will be injected: Madison Formation at approximately 7150'-7600'.

- 5. Statement that an Aquifer Exemption will or will not be requested: An Aquifer Exemption is being requested.

Notice is hereby given that an application for a Class II injection Well Permit at the surface location set forth above will be filed with the Montana Board of Oil and Gas Conservation, Pursuant to Rules 36.22, 36.23, Administrative Rules of Montana,

a public hearing will be held regarding said application. The hearing will be held at the Board of Oil & Gas in the Conservation Hearing Room, Billings, Montana on Thursday, June 14, 2018. An interested party may demand opportunity to be heard by the Montana Board of Oil and Gas Conservation concerning said application.

Montana Board of Oil and Gas Conservation 2535 St. Johns Avenue Billings MT 59102 Office: 406-456-0040 Fax: 406-653-0015 18c

Commissioner Proceedings MONDAY, APRIL 23, 2018

9:15 AM CONVENIENCE PRESENT: Steve Baldwin, Chairman, Roy Root, Deb Ranum, Members, Kelsey Phillips, Recording Clerk, Secretary. FALLON COUNTY COURTHOUSE AGENDA/NON-AGENDA ITEMS

No one appeared for public comment. 9:39 AM Jason Rital, County Development Advisor joined the meeting. ACLU - A response from the ACLU has been received regarding the Freedom of Information Act. They have reviewed the letter from Fallon County containing the number of tours and amount it would cost to locate the information they are looking for. They would now like an estimated cost for any information within the last three years. Jason doesn't believe this will change our estimated price much, because the time to search will still take the same amount of time from employees, as this would entail searching all of Fallon County employee's computers. Jason will speak with Darcy Wassmann, County Attorney, and discuss further.

Luther Appraisals - Luther Appraisals has been in touch with Jason and will complete the appraisal for the land parcels West of town based on agricultural use. Commission agreed to move forward with the new appraisal.

Hail Damage Project - Terry Sukut, JGA, is coming to Baker next Monday to go over concessions signs at the Fairgrounds with the Commission. He will also review the Hail Damage Project punch list and inspect the

Blade Class - There will be a Blade Operator class that the County will be putting on in June. Prairie County will also be attending. It's a three-day class, they will be spending one day in the classroom and two days in the machines. Commission would also like to attend a few hours in the classroom.

Repairs - Discussed repairs that may need to be done to the freightliner. Other repairs may also need to be done

Department of Transportation Meeting - Next week Commissioner Baldwin will be attending the Powder River meeting with the Department of Transportation regarding the policy of road closures due to severe weather conditions.

Veteran's Memorial - The Veteran's Memorial is in need of repairs, and different options were compared. Commission will be meeting about the Veteran's Memorial next week before making a decision.

Lake Enhancements - Dustin Davis, IT TECH, has developed a survey that is about ready to go online for the enhancements at Baker Lake. The maps have been worked on and will show the areas where these enhancements could be placed. They can be ranked with highest priority to lowest priority and will include a comment section. A link will be posted on the Fallon County Website, as well as advertised on the KHLN Radio and Fallon County Times. This will be an active survey for the next few weeks.

Scale Bids - Three companies have requested the specs for the Landfill scale bids. The bids were originally going to be opened on Monday the 30th, but one of the companies have asked for an extension on the specs. They would like to view the site beforehand and then place a bid. Commission agreed to extend the deadline for another week on the Landfill scale bids.

Commissioner Rost made the motion to extend the bid period to May 7 at 3 p.m. for the Landfill scale. Commissioner Ranum seconded the motion. Commissioner Baldwin asked for any other discussion, being none. 3 Ayes. 0 Nays. The motion carried unanimously.

10:12 AM Jason left the meeting. 10:13 AM Alba Higgins, Shop Foreman, Bobby Wedmer, Road Supervisor joined the meeting.

Blade Class - There will be a Blade Operator class that the County will be putting on in June. Prairie County will also be attending. It's a three-day class, they will be spending one day in the classroom and two days in the machines. Commission would also like to attend a few hours in the classroom.

Repairs - Discussed repairs that may need to be done to the freightliner. Other repairs may also need to be done

to the Kenworth truck. The rollers on the left side of the Landfill Driveway have fallen out. Alba has been on the phone with RDO this morning, and they will be coming to look at it this week. The bolts came loose and the cause is unknown. The new rollers had just been put in not too long ago. The other three wings will be taken off the blades soon.

Car Gates - The car gates at the Landfill will need to be put back in soon.

10:32 AM Shannon Hewsom, Erceg Engineering joined the meeting.

Shannon advised that Jason Wylie will put the car gates back at the Landfill. Bobby doesn't mind if he needs to do them and will speak with Jason to discuss further.

10:33 AM Alba left the meeting. 10:39 AM Bobby left the meeting.

10:41 AM Jason Rital, County Development Advisor joined the meeting.

Erceg - The schedules for the sidewalks at the Parkview Apartments was in discussion. The driving slab for the bus to be able to turn around in the parking lot is included in the project.

Courthouse Repairs - The Commission would like the rails in front of the Court House, as well as the outside ramp, to be made ADA compliant for Handicap Accessibility. At least two handicap spots will be needed in the front area. Commission agrees with the two spots. This will be included as a scheduled project. Foundation fill was included into these specs, as well as spring repair due to the granite that will be added. Commission would like it to be completed as a total project, including the Parkview Complex and Courthouse together. October 1 will be the desired completion date. This will be a sealed bid process.

Baker Lake - Discussion on the rocks that will be placed in Baker Lake and their potential cost. This includes the granite rock, as well as other types that may be in consideration. The cost is determined by tonnage, with additional cost for hauling and dumping. These rocks will help create habitats

for fish. Discussion on using Sandstone rock as well as the granite. Lake Enhancements - The Lake Enhancements survey has been approved and will be going into Fallon County Times and placed online on Thursday of this week. Shannon gave Commission a map of all the enhancements that will be included on the survey for the public to rate. Public comment will be included in this survey.

11:14 PM Margie Loring, Alba Higgins, Debbie Wylie, Health Insurance Committee Members, Brenda Wood, Clerk and Recorder joined the meeting.

11:15 AM Shannon and Jason left the meeting.

Fallon County Health Insurance Updates - A spreadsheet of the Fallon County EBMS Health Insurance Premium Analysis was given to Commissioner. This meeting is to verify premiums for the upcoming year. The committee is in agreement to leave the premiums at what they currently are. They would like to apply a shift in premium amounts, which would take \$10 out of the employer side and apply the \$10 to the employee premium. The overall total premium is going to stay the same. Employees who are participating in the Wellness program are not going to see much of

a change. Premiums for part time employees may be a little different. They would like to be completed with this at the end of this week because open enrollment for employees is the beginning of May. 11:30 AM Jason Rital, County Development Advisor joined the meeting.

Between Fallon County and FBAC, there are about 200 members on Health Insurance. Wellness credit will go to \$60, and spouse credit will go to \$40. This will be effective July 1, 2018.

Overfunding to EBMS - The Health Insurance Committee would like to skip the May 1 payment due to overfunding in the EBMS Trust Fund account. This would not affect the payments in the future. Discussion on the premiums and what they would like the reserve account to look like in the future. This will help ensure there is enough money in case of emergencies. Discussion on what possibilities could help benefit the Wellness Members more in future years.

Commissioner Rost made the motion to skip the May EBMS Statement because of overfunding at EBMS. Commissioner Ranum seconded the motion. Commissioner Baldwin asked for any other discussion, being none. 3 Ayes. 0 Nays. The motion carried unanimously. See MINUTES Page 14

The Baker Fire Dept. would like to take the time to thank these people and businesses for helping make the 4th annual Mon Dak Fire Academy a huge success. Thank You! Baker Metal and Recycling-cars, Parks Dept.-Scott Rabbit-bleacher, Baker Rural Fire District Board Members, Fallon County Ambulance Service, GETIM (here-food, R & B Septic-porta potty, Blue Rock Distributing-bottled water, Garfield County Rural Fire Department-pallet of bottled water, Kristy Weischedel-delivered bottled water, TJ Hoff-delivered bottled water, All Fire Department members and family members who helped with food and set up and stayed to help with the clean up.

LEMMON LIVESTOCK, INC. We hold a regular weekly cattle and feeder cattle sale every Wednesday. We buy sheep and weigh-up horses every Thursday. Special Sales as advertised. Give us a call to visit about your marketing plans. C & D Yards • Baker, Montana Open between 10 a.m. - 4 p.m. Tuesday. Your cattle will be delivered to Lemmon Livestock on Tuesday evening and will be sold on Wednesday. Wed. May 9 Regular Sale Wed. June 6 Regular Sale Wed. May 16 Regular Sale/Pair Special Wed. June 13 Regular Sale Wed. May 23 Regular Sale Wed. June 20 Regular Sale Wed. May 30 Regular Sale Wed. June 27 Regular Sale Cattle will be on feed & water and there will be a brand inspector on site. You can now reach us on the Internet at www.lemmonlivestock.com. If you have livestock to consign or would like us to stop at your ranch, please call Lemmon Livestock at 605-374-3877 or 800-822-8853. Dual Fullman, C & D Yards, John Christ Baker, Owner/Manager, Baker, Montana, Field Rep. 605-374-5675 cell 605-815-2194 106-778-3282 106-778-5252

Hey Kids... K - 6TH... and Parents How would you like to make the perfect Mother's Day Cake for your mom? Ask Mom or Dad to take you to Reynolds after school on Friday, May 11 Join us in the back room anytime between 2:00 p.m. and 5:00 p.m. Just buy a small cake for only \$5.00. We will furnish all the decorating supplies and help you make it the most special cake ever for the most special mom ever. Reynolds MARKET Lake City Shopping Center Baker, MT 406-778-3816

DRIVE GREEN DRIVE IT. YOU CAN'T TEST DRIVE JOHN DEERE EQUIPMENT ONLINE. BUT YOU CAN AT DRIVE GREEN DEMO DAYS. C&B Operations - Miles City, MT Meet Us at Our Dealership: 2514 Haynes Ave. South (406) 232-3211 May 10th 9:00am - 5:30pm May 11th 9:00am - 5:30pm May 12th 9:00am - 5:30pm May 14th 9:00am - 5:50pm Comparing products online works great for tractors, mowers and kind loaders, but if you're in the market for a tractor, riding mower, or utility vehicle...nothing beats getting behind the wheel. Sign up for your chance to test drive all the latest tractors and farm equipment. Product experts are present to answer any questions and help you decide upon your purchase. Attendees will receive coupons good for \$500 off a new 1-6 Family Tractor™, \$200 off new Gas and Commercial Mowers™, \$35 off \$100 worth of select parts and up to hundreds of new attachments. And if you register at the event, you will be entered to win a brand new 3R Series Tractor Package!

When looking for the best Mother's Day Sunday, May 13 Buffet Look no further than Thee Garage Lounge, Showroom & Steakhouse 11 a.m. - 2 p.m. Baked Ham, Turkey, Shrimp - And lots more! Real Mashed Potatoes, Gravy, Candied Sweet Potatoes, Veggie, Dinner Roll, Full Salad Bar, Dessert Tray & Drink Table Thee Garage • 406-778-2065 • Baker, Montana

To: HELENA INDEPENDENT RECORD
Re: LEGAL NOTICES

Comments:

PLEASE POST THE FOLLOWING LEGAL NOTICE(S) IN YOUR PUBLICATION TO APPEAR ONE TIME AS SOON AS POSSIBLE.

PLEASE SEND A SIGNED AND DATED AFFADAVIT TO THE MONTANA BOARD OF OIL & GAS CONSERVATION (ATTN: GEORGE HUDAK) ATTESTING TO THE PUBLICATION OF THE NOTICE(S) ALONG WITH A PUBLISHED COPY OF THE NOTICE(S). THE BOARD'S MAILING ADDRESS IS:

**MBOGC
ATTN: GEORGE HUDAK
2535 ST. JOHNS AVE.
BILLINGS, MT 59102**

PLEASE MAIL A COPY OF THE NOTICE(S) TO ME AT OUR PLANO ADDRESS LISTED BELOW. ALSO, PLEASE BILL ALL CHARGES FOR YOUR SERVICES TO MY ATTENTION AS WELL:

**DENBURY ONSHORE, LLC
ATTN: NAOMI JOHNSON
5320 LEGACY DRIVE
PLANO, TX 75024**

FOR QUESTIONS REGARDING THIS MATTER, PLEASE CONTACT NAOMI JOHNSON AT (972) 673-2552 OR EMAIL TO naomi.johnson@denbury.com.

THANKS!

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

In the Matter of the application of)
)
Denbury Onshore, LLC)
)
for a Permit to Convert an Existing Well to Water Injection Use.)

NOTICE OF
INTENTION TO APPLY
FOR A CLASS II INJECTION
WELL PERMIT

1. Name and address of Applicant:
Denbury Onshore, LLC
5320 Legacy Drive
Plano, TX 75024
2. Legal Description including County and Approximate Footages of Surface Location of Proposed Oil and Gas Well:
(and projected bottom-hole location, if a directional or horizontal well)
Pennel 24-17B Location: SESW, 660' FSL & 1880' FWL, Sec. 17, T7N-R60E Fallon County, MT.
3. Source of fluids to be injected:
Produced Water from Denbury Onshore, LLC Operations located in the Pennel Field.
4. Zone or formation, including depth, into which fluid will be injected.
Madison Formation at approximately 7150'-7600'.
5. Statement that an Aquifer Exemption will or will not be requested.
An Aquifer Exemption is being requested.

Notice is hereby given that an application for a Class II injection Well Permit at the surface location set forth above will be filed with the Montana Board of Oil and Gas Conservation. Pursuant to Rules 36.22.1409, Administrative Rules of Montana, a public hearing will be held regarding said application. The hearing will be held at the Board of Oil & Gas in the Conservation Hearing Room, Billings, Montana on **Thursday, June 14, 2018**. An interested party may demand opportunity to be heard by the Montana Board of Oil and Gas Conservation concerning said application.

Montana Board of Oil and Gas Conservation

2535 St. Johns Avenue

Billings MT 59102

Office: (406) 656-0040

Fax: (406) 655-6015

Naomi Johnson

From: hel.receipts@lee.net
Sent: Thursday, May 03, 2018 10:58 AM
To: Naomi Johnson
Subject: [EXT] Advertising Payment Receipt

INDEPENDENT RECORD
317 CRUSE ST
HELENA, MT 59601
406-443-4033

Order Results

Profile Name: INDEPENDENT RECORD
Transaction ID: 030518A44-C4EB8664-8DFB-43CD-A335-E52E59295A5F
Date/Time: 05/03/2018 09:58:19 AM
Transaction Type: SALE
Approval Message: APPROVAL
Approval Code: 024284

Order Section

First Name : Denbury
Last name : Onshore, LLC
Company : Denbury Onshore, LLC
Card Number : *****9502
Amount : \$125.74USD
Customer Code : 32746210
Sales Tax : \$0.00USD
Description : Payment for order: 20422507
Get Token : N

The information contained in this e-mail and in any attachments is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. This message has been scanned for known computer viruses.

Naomi Johnson

From: Cathyann Christian <Cathyann.Christian@helenair.com>
Sent: Wednesday, May 02, 2018 1:29 PM
To: Naomi Johnson
Subject: [EXT] proof

This is scheduled to run **May 3**. Price is **\$125**. Please contact lynn or myself with payment.
Thank you
cathyann

**BEFORE THE BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
NOTICE OF INTENTION TO APPLY FOR A CLASS II
INJECTION WELL PERMIT**

In the Matter of the application of Denbury Onshore, LLC for a Permit to Convert an Existing Well to Water Injection Use.
Name and address of Applicant:
Denbury Onshore, LLC
5320 Legacy Drive
Plano, TX 75024

Legal Description including County and Approximate Footages of Surface Location of Proposed Oil and Gas Well:(and projected bottom-hole location, if a directional or horizontal well)

Pennel 24-17B Location: SESW, 660' FSL & 1880' FWL, Sec. 17, T7N-R60E Fallon County, MT.

Source of fluids to be injected:

Produced Water from Denbury Onshore, LLC Operations located in the Pennel Field.

Zone or formation, including depth, into which fluid will be injected. **Madison Formation at approximately 7150'-**

7600'.

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Montana Board of Oil and Gas Conservation
MT 59102

2535 St. Johns Avenue

Office: (406) 656-

Billings

0040

Fax: (406)

655-6015

May 3, 2018

MNAXLP

Cathyann Christian

Sales and Marketing Associate

Montana Standard | 25 W. Granite | Butte, MT 59701

Independent Record | 2222 Washington St. | Helena, MT 59602

Mini Nickel | 1910 N 22nd Av #1 | Bozeman, MT 59718

406-447-4016 cathyann.christian@helenair.com

the
HEART *of the* community
Independent Record | helenair.com

91 7199 9991 7032 7416 9823

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL



May 4, 2018



91 7199 9991 7032 7416 9823

Miriam I. Kirschten
PO Box 971
Baker, MT 59313-0971

RE: Pennel Field
Pennel Unit 24-17B
Section 17, T7N-R60E
Fallon County, MT

Dear Surface Land Owner,

Within the Pennel Field, Denbury Onshore, LLC plans to convert the Pennel Unit 24-17B to a Salt Water Disposal well.

In accordance with the rules and regulations of the Montana Board of Oil and Gas Conservation (MBOGC)—administered Underground Injection Control (UIC) in Montana, Denbury is required to give notice to each owner of land within one-quarter mile radius of the well site, that we have applied for a permit to perform this work.

Therefore, as a landowner within the prescribed radius, we are hereby informing you that we have applied to the MBOGC for a permit to convert the subject well to salt water disposal. You may comment on the application at any time by mail or phone before the hearing, or be present at the hearing. The hearing will be held on Thursday June 14, 2018 at the Board of Oil & Gas in the Conservation Hearing Room. It is located at 2535 St. Johns Avenue, Billings, Montana 59102.

For further information, contact Naomi Johnson at (972) 673-2552 or George Hudak of the MBOGC at (406) 656-0040.

Sincerely,

A handwritten signature in blue ink, appearing to read "Naomi Johnson".

Naomi Johnson
Regulatory Compliance Specialist
Denbury Onshore, LLC

91 7199 9991 7032 7416 9830

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS - FOLLOW DOTTED LINE

CERTIFIED MAIL



May 4, 2018

Daphne May Burns
C/O Barry Flener
PO Box 3566
Bellevue, WA 98009-3566



91 7199 9991 7032 7416 9830

RE: Pennel Field
Pennel Unit 24-17B
Section 17, T7N-R60E
Fallon County, MT

Dear Surface Land Owner,

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Denbury Onshore, LLC