



August 22, 2018

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

Dear Mr. Hudak

RE: UIC PERMIT APPLICATION
FOR AN INDIVIDUAL WELL
GAS CITY 41-28 (API# 25-021-21194)
GAS CITY FIELD
DAWSON 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 Gas City 41-28 is currently a shut-in producer completed in the Red River and will be converted to a salt water disposal well in the Mission Canyon-Lodgepole formation.

Appropriate notification has been submitted to the surface owners and public notices have also been submitted to the Glendive Ranger Review, Billings Gazette 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,

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

RECEIVED

AUG 24 2018

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

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 Address 5320 Legacy Drive City Plano State TX Zip Code 75024 Telephone Number (972) 673-2000 Fax Number () | Lease Name: Unit Lease Type (Private/State/Federal): Private Well Number: 41-28 AUG 24 2018 |
| Location of Well (1/4-1/4 section and footage measurements): NE-NE 484' FNL & 891' FEL, Section 28, T14N-R55E | Unit Agreement Name: Gas City Unit Field Name or Wildcat: Gas City Field |
| If directionally or horizontally drilled, show both surface and bottom hole locations) API Number: 25 021 21194 State County Well | Section, Township, and Range: Sec 28, T14N - R55E County: Dawson County, MT |
| Well Type (oil, gas, injection, other): <p align="center">Oil</p> | |

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

| | |
|---|--|
| Notice of Intention to Change plans <input type="checkbox"/> Notice of Intention to Run Mechanical Integrity Test <input checked="" type="checkbox"/> Notice of Intention to Stimulate or to Chemically Treat <input type="checkbox"/> Notice of Intention to Perforate or to Cement <input checked="" type="checkbox"/> Notice of Intention to Abandon Well <input type="checkbox"/> Notice of Intention to Pull or Alter Casing <input type="checkbox"/> Notice of Intention to Change Well Status <input checked="" type="checkbox"/> Supplemental Well History <input type="checkbox"/> Other (specify) <u>Convert to Salt Water Disposal</u> <input checked="" type="checkbox"/> | Subsequent Report of Mechanical Integrity Test <input type="checkbox"/> Subsequent Report of Stimulation or Chemical Treatment <input type="checkbox"/> Subsequent Report of Perforation or Cementing <input type="checkbox"/> Subsequent Report of Well Abandonment <input type="checkbox"/> Subsequent Report of Pulled or Altered Casing <input type="checkbox"/> Subsequent Report of Drilling Waste Disposal <input type="checkbox"/> Subsequent Report of Production Waste Disposal <input type="checkbox"/> Subsequent Report of Change in Well Status <input type="checkbox"/> Subsequent Report of Gas Analysis (ARM 36.22.1222) <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 Mission Canyon-Lodgepole formation. Please see supporting documents for additional information. Public Notice has been submitted to the Glendive Ranger Review, Billings Gazette and Helena Independent Record for immediate publication. Sage Grouse letter has been attached.

| BOARD USE ONLY | |
|------------------------|-------|
| Approved _____ Date | |
| Name | Title |

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

8/22/2018
 Date


 Signed (Agent)

Naomi Johnson - Regulatory Compliance Specialist
 Print Name & Title

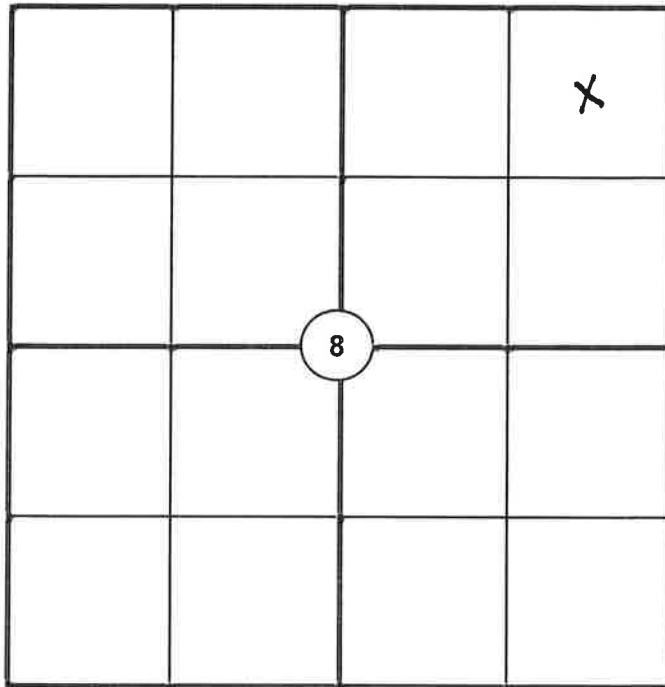
SUPPLEMENTAL INFORMATION

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 55E

Township 14N



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.

Recompletion Procedure

Gas City 41-28

API#: 2502121194, Sec 28 – T14N - R55E

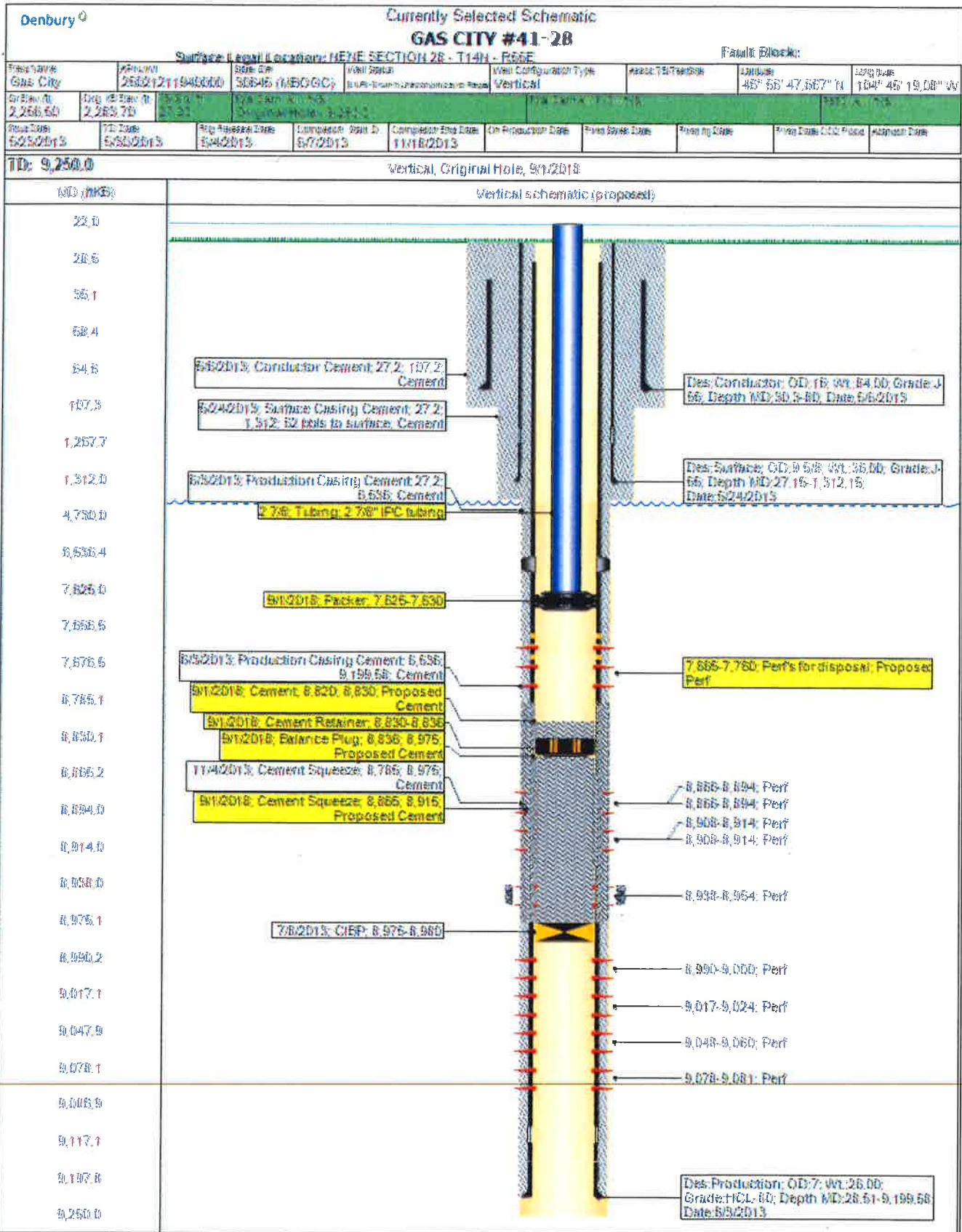
Dawson County, MONTANA

OBJECTIVE OF OPERATION:

- TA Red River
- Complete as Mission Canyon Salt Water Disposal

Procedure:

1. **NOTE: Check local Well File before beginning job. Check location and anchors.**
2. MIRU workover rig. Check well pressures. Remove horses head.
3. POOH and LD rods and pump.
4. NU BOP. Test BOPs as per Denbury standards.
5. Release anchor, POOH and lay down 2-7/8" tubing.
6. PU bit and scrapper, Clean out to CIBP @ 8,975'. Circulate hole clean, TOOH.
7. TIH w/CICR on workstring, set CICR @ 8,836' (30' above top perf). Establish injection rate and pressure. If perforations are plugged off alter the next step to spotting 200' balanced plug to isolate the Red River. Test csg to 800# (report any leaks and remediate)
8. MIRU Cementing Unit. Lay and test lines. Mix and pump 100 sx of cement to squeeze the Red River Interval. Sting out of retainer and leave 5 sx on top of CICR. Circulate hole clean. TOOH 5 stands. WOC. RDMO Cementers.
9. TIH to tag cement before TOOH.
10. MIRU Wireline to perforate Mission Canyon from 7665'-7760' (95' total) at 4 spf, 90° Phasing. Correlate to Dak Tana Wireline Acoustic Cement Bond Log dated 6/26/13.
11. RIH with test packer and workstring. Set packer @ $\pm 7,630$ and establish injection rate. Stimulate well if necessary with acid and bio balls. Flow back load if well will flow.
12. POOH and lay down packer and work string.
13. PU retrievable packer and 2-7/8" coated tubing (IPC) with packer @ $\pm 7,630$ '. Hydro test tubing while TIH.
14. Circulate packer fluid. Set packer @ $\pm 7,630$ '. Land tubing, ND BOP, NU Wellhead. Pressure test to 800#.
15. RD MO WO rig. Clean location.
16. MIT well once permit is issued.
17. Put well on injection once state has approved.



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

Denbury Onshore, LLC
Well No. Gas City 41-28
Gas City Field
Section 28, T14N-R55E
Dawson, 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):

Cedar Creek Grazing Association
PO Box 927
Glendive, MT 59330-0927

Arlene G. Crisafulli
421 Patt Ave.
Glendive, MT 59330-1402

BLM
111 Gary Owen Rd.
Miles City, MT 59301-0940

Kenneth M. & Lillian M. Nemitz
422 Snyder Ave.
Glendive, MT 59330-2125

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

Glendive Ranger Review
Attn: Elizabeth Kaiser
P.O. Box 61
Glendive, Montana 59330

Billings Gazette
Attn: Tammy Ward
401 N Broadway
Billings, MT 59101

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

There are no fresh water wells located 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 six wellbores that falls within the ¼ mile radius of the Gas City 41-28. A down hole schematic for these well bores has been attached.

Gas City 44X-21R SWD (25-021-60001) is permanently abandoned.

Gas City 44-21 (25-021-05050) is permanently abandoned.

Gas City 34X-21 (25-021-21120) is an active producer in the Siluro-Ordovician formation.

Gas City 24-21H (25-021-05048) is a shut-in producer in the Siluro-Ordovician formation.

Gas City 31-28 (25-021-05047) is permanently abandoned.

Gas City 13-27 (25-021-05042) is an active producer in the Siluro-Ordovician formation.

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> |
|------------------|-----------------|
| Charles A | 6753' |
| Charles B | 6905' |
| Mission Canyon | 7244' |
| Lodgepole | 7693' |
| Interlake | 8386' |
| Stony Mountain | 8708' |
| Gunton | 8760' |
| Red River | 8856' |

*KB Elevation 2276'

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 = 7245'

S.G. of Injection Fluid = Approximately 1.020 (see representative water analysis)

Fracture Gradient = Approximately 0.8 psi/ft

Surface Fracture Pressure = [0.8 psi/ft x 7245'] – [1.020 x 0.433 psi/ft x 7245']
= 5796 psi – 3200 psi
= 2596 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 2596 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 Glendive Unit. A representative analysis of the injectate is attached.

Conversion Procedures

The Gas City 41-28 is currently a shut-in producer in the Red River formation. 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.

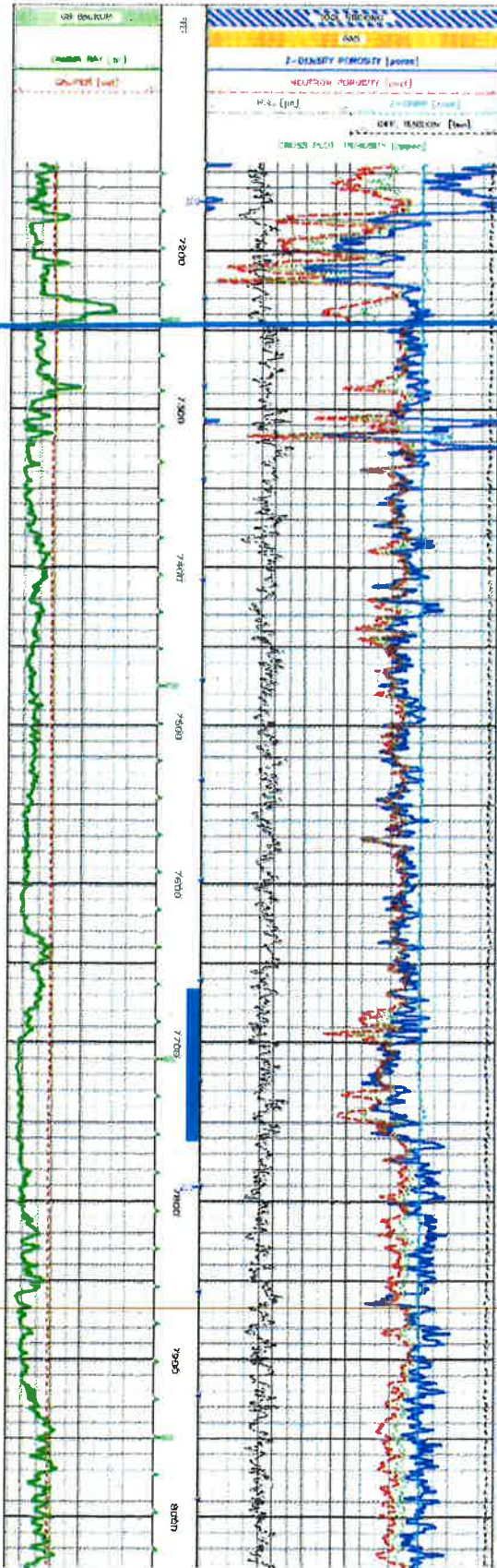
Aquifer Exemption

An Aquifer Exemption will not be required.

41-28

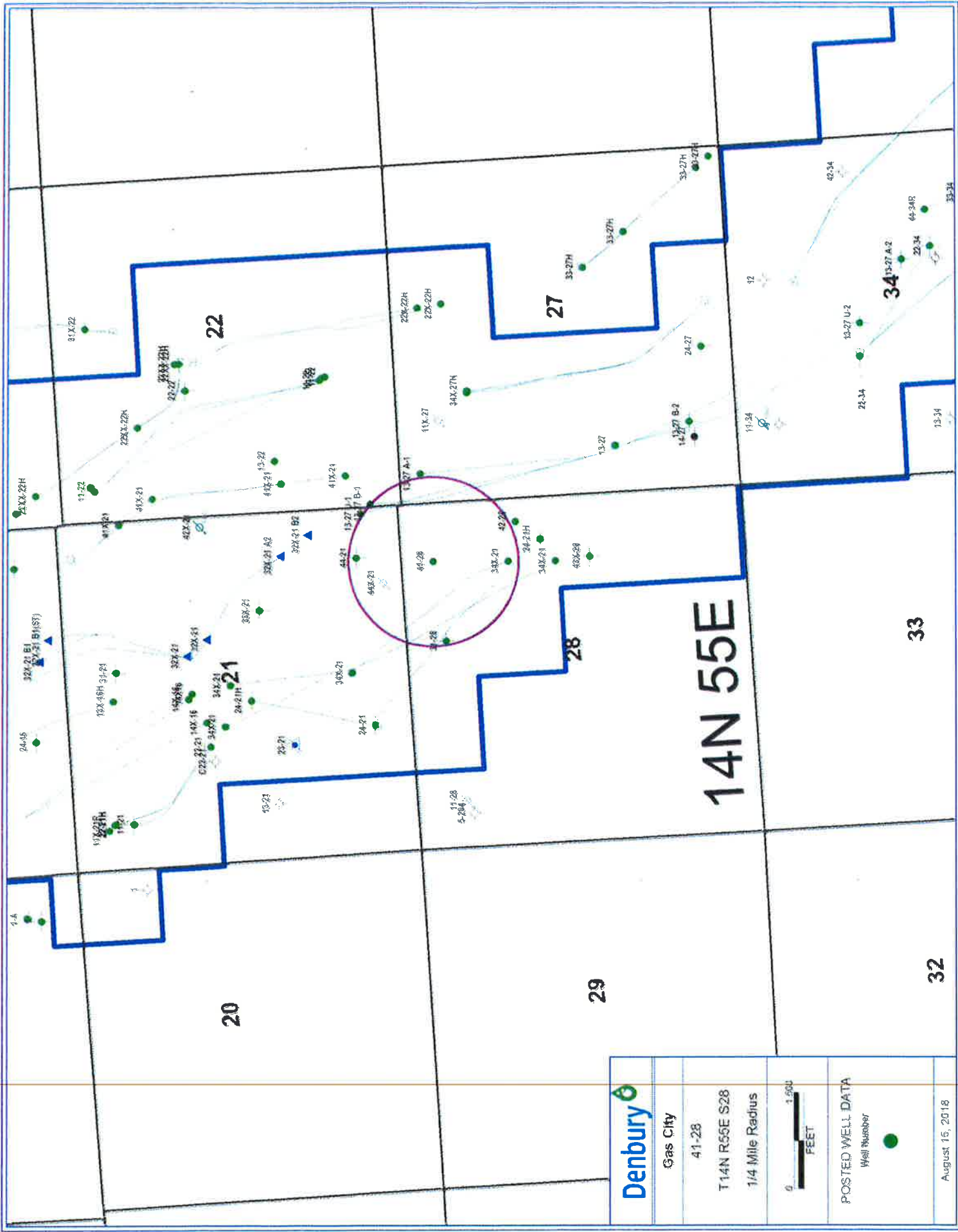


UNIT
ELEV_KB : 2.276
T14N R55E S28
25021211940000



Mission Canyon

Proposed Disposal Perfs:
7665'-7760' MD



Gas City

41-28

T14N R56E S28

1/4 Mile Radius

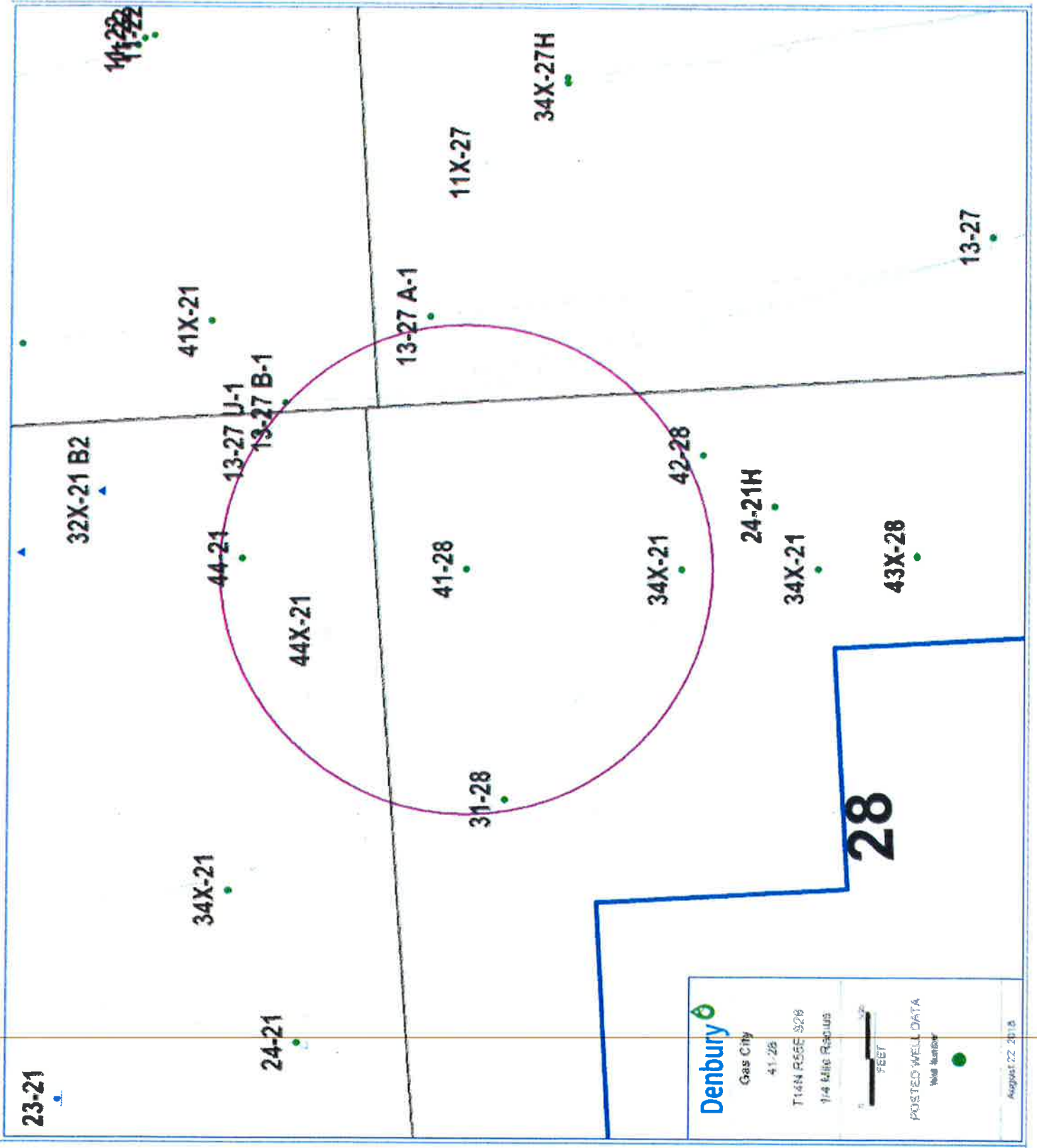


POSTED WELL DATA

Well Number



August 15, 2018



23-21

32X-21 B2

41X-21

34X-21

24-21

44-21

13-27 U-1

13-27 B-1

44X-21

13-27 A-1

41-28

11X-27

31-28

34X-27H

34X-21

42-28

24-21H

34X-21

43X-28

13-27

28

Denbury

Gas City

41-28

T14N R55E S28

1/4 Mile Radius



POSTED WELL DATA

Well Number



August 22, 2018

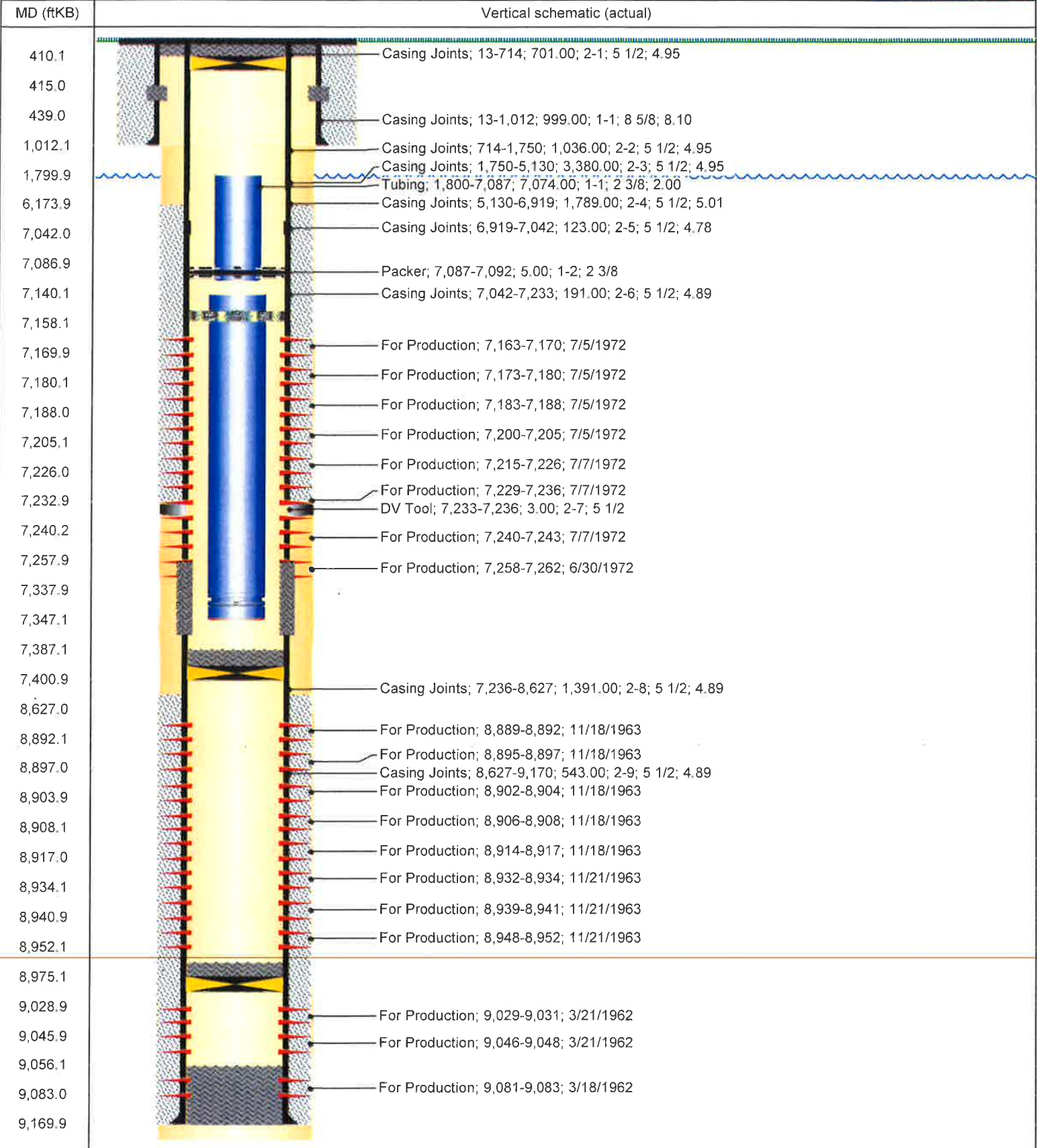
Govt Unit #44X-21R

| | | | | | | | | | |
|--------------|-------------------|------------------|--|------------------------------|----------------------|-------------------|--------------------|----------------------|--------------|
| Sect 21 | Twn 14 N | Range 55 E | Surface Legal Location: Sec 21-14N-55E | | | Fault Block: | | | |
| Field Name | API/UWI | State ID# | Well Status | Well Configuration Type | Assoc TB/Test Site | Latitude | Longitude | | |
| Gas City | 25021600010000 | | PA - Permanently Abandoned | | | 46° 56' 55.296" N | 104° 45' 22.882" W | | |
| Gr Elev (ft) | Orig KB Elev (ft) | KB-Grd (ft) | Total Depth (All) (ftKB) | Total Depth All (TVD) (ftKB) | PSTD (All) (ftKB) | | | | |
| 2,265.00 | 2,278.00 | 13.00 | Original Hole - 9,175.0 | | Original Hole - 13.0 | | | | |
| 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 |
| 2/19/1962 | 3/10/1962 | | | | | | | | 10/3/1985 |

TD: 9,175.00

Original Hole, 8/22/2018 8:51:07 AM

Permitted Interval = -



LOCATE WELL CORRECTLY

| | | | |
|--|---------|--|---|
| | | | |
| | Sec. 21 | | |
| | | | |
| | | | X |

RECEIVED

Form No. 4
(Gen. Rule 206.3 & 231)

(SUBMIT IN TRIPLICATE)
TO

OIL AND GAS CONSERVATION COMMISSION APR 23 1962
OF THE STATE OF MONTANA
BILLINGS OR SHELBY

LOG OF WELL

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF MONTANA

16

Company Shell Oil Company Lease Unit Well No. 44X-21R
 Address P. O. Box 2547 Billings, Montana Field (or Area) Gas City
 The well is located 330 ft. from ~~(S)~~ ^{XXXX} line and 1185 ft. from ~~(W)~~ ^(E) line of Sec. 21
 Sec. 21; T. 14N; R. 55E; County Dawson; Elevation 2277.5
 Commenced drilling 2-19, 1962; Completed 3-26, 1962

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 AS J...
 Title Division Exploitation Engineer
 Date April 19, 1962

IMPORTANT ZONES OF POROSITY

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

From to From to See attached well history
 From to From to for drilling and completion
 From to From to details.
 From to From to

CASING RECORD

| Size Casing | Weight Per Ft. | Grade | Thread | Casing Set | From | To | Sacks of Cement | Cut and Pulled from |
|---------------|----------------|-------------|--------|--------------|----------|--------------|-----------------|---------------------|
| <u>3 1/2"</u> | | | | <u>1015'</u> | <u>0</u> | <u>1015'</u> | <u>350</u> | |
| <u>5 1/2"</u> | <u>14.25</u> | <u>J-55</u> | | <u>9170</u> | | | <u>170</u> | |

TUBING RECORD

| Size Tubing | Weight Per Ft. | Grade | Thread | Amount | Perforations |
|-------------|----------------|-------|--------|--------|--------------|
| | | | | | |

COMPLETION RECORD

Rotary tools were used from 0 to 9175
 Cable tools were used from to
 Total depth 9175 ft.; Plugged back to 9135 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 | | |
| | | | | | | |

(If P&A show plugs above)

INITIAL PRODUCTION

Well is producing from Ordovician (pool) formation.
 I. P. 179 barrels of oil per 24 hours Flowing
 (pumping or flowing)
34.189 Mcf of gas per 24 hours.
19 barrels of water per 24 hours, or 10 % W.C.
 (OVER) Grav 38.1API

Gas City Unit #44-21

Fault Block:

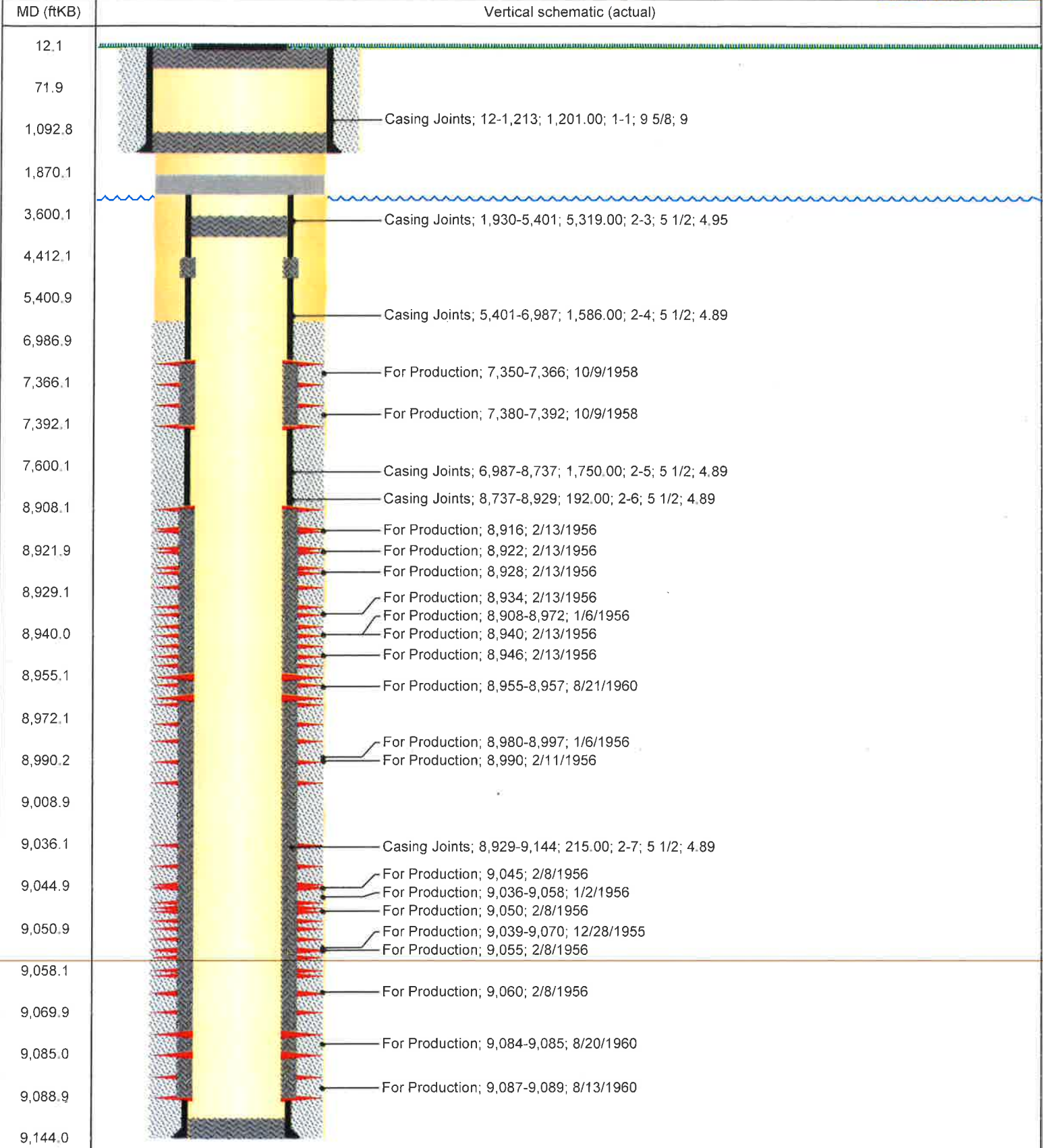
Surface Legal Location: 21-14N-55E

| | | | | | | | |
|--------------------------|-------------------------------|----------------------|---|-------------------------|------------------------------|-------------------------------|---|
| Field Name Gas City | API/UJM 25021050500000 | State ID# | Well Status PA - Permanently Abandoned | Well Configuration Type | Assoc.TB/TestSite | Latitude 46° 56' 59.328" N | Longitude 104° 45' 16.942" W |
| Gr Elev (ft) 2,284.00 | Orig KB Elev (ft) 2,296.00 | KB-Ord (ft) 12.00 | Total Depth (Alt) (ftKB) Original Hole - 9,144.0 | | Total Depth Alt (FVD) (ftKB) | | PBTD Alt (ftKB) Original Hole - 12.0 |
| Spud Date 11/8/1955 | TD Date 12/22/1955 | Rig Release Date | Completion Start D. | Completion End Date | On Production Date | First Sales Date | First Inj Date |
| | | | | | | | First Date CO2 Flood |
| | | | | | | | Abandon Date 2/17/1961 |

TD: 9,144.00

Original Hole, 8/22/2018 8:54:27 AM

Permitted Interval = -



21-14N-SSE

INITIAL PRODUCTION—(Continued)

Initial 10-day average production _____ (bbl./day) (if taken) Not taken
 Pressures (if measured): Tubing Pumping - 0 psi flowing; _____ psi shut-in
 Casing Pumping - 0 psi flowing; _____ psi shut-in
 Gravity 37.8 ° API (corrected to 60° F.)

DRILL STEM TESTS

| D.S.T. No. | From | To | Tool Open (Min.) | Shut-In | F.P. | S.L.P. | Recovery | Cushion |
|------------|------|------|------------------|---------|----------|--------|---|---------|
| 1 | 7224 | 7278 | 150 | 90 | 175-190 | 3275 | 137' G&OCM (tr.0)+210' GO&MCW (tr.0,90%W) | |
| 2 | 7360 | 7450 | 150 | 90 | 175-450 | 3575 | 660' GMCO+275' GOCM (10-60% O) | |
| 3 | 8979 | 9024 | 150 | 90 | 225-275 | 1875 | 506' MCO | |
| 4 | 9028 | 9052 | 150 | 90 | 150-150 | 750 | 140' GO+210' M&OCW (10% O) | |
| 5 | 9053 | 9092 | 160 | 90 | 150-2100 | 4050 | 5200' M&WCO (90%O)+380' OMCW (1% O) | |

LOGS RUN

| Type | Intervals | |
|-------------------|-----------|--------|
| | From | To |
| Gamma ray | 6000 | 9088.5 |
| Laterolog | 1210 | 9094 |
| Microlaterolog | 5000 | 9095 |
| Radioactivity log | 0028 | 9197 |
| Section gauge | 1210 | 6960 |

FORMATION RECORD

| From | To | SAMPLE AND CORE NO. AND DESCRIPTION | Top of Formation |
|--|------|-------------------------------------|------------------|
| 0 | 6791 | Sandstone and shale | |
| 6791 | 9144 | Limestone and dolomite | |
| Core No. 1: 7222-7278, recovered 55' No. 2: 7360-7417, recovered 57' No. 3: 7417-7450, recovered 33' No. 4: 8905-8954, recovered 49' No. 5: 8954-8994, recovered 35' No. 6: 8994-9024, recovered 27' No. 7: 9024-9034, recovered 9.5' No. 8: 9034-9052, recovered 17.5' | | | |
| See attached sheet for formation tops | | | |

Gas City Unit #34X-21 ST

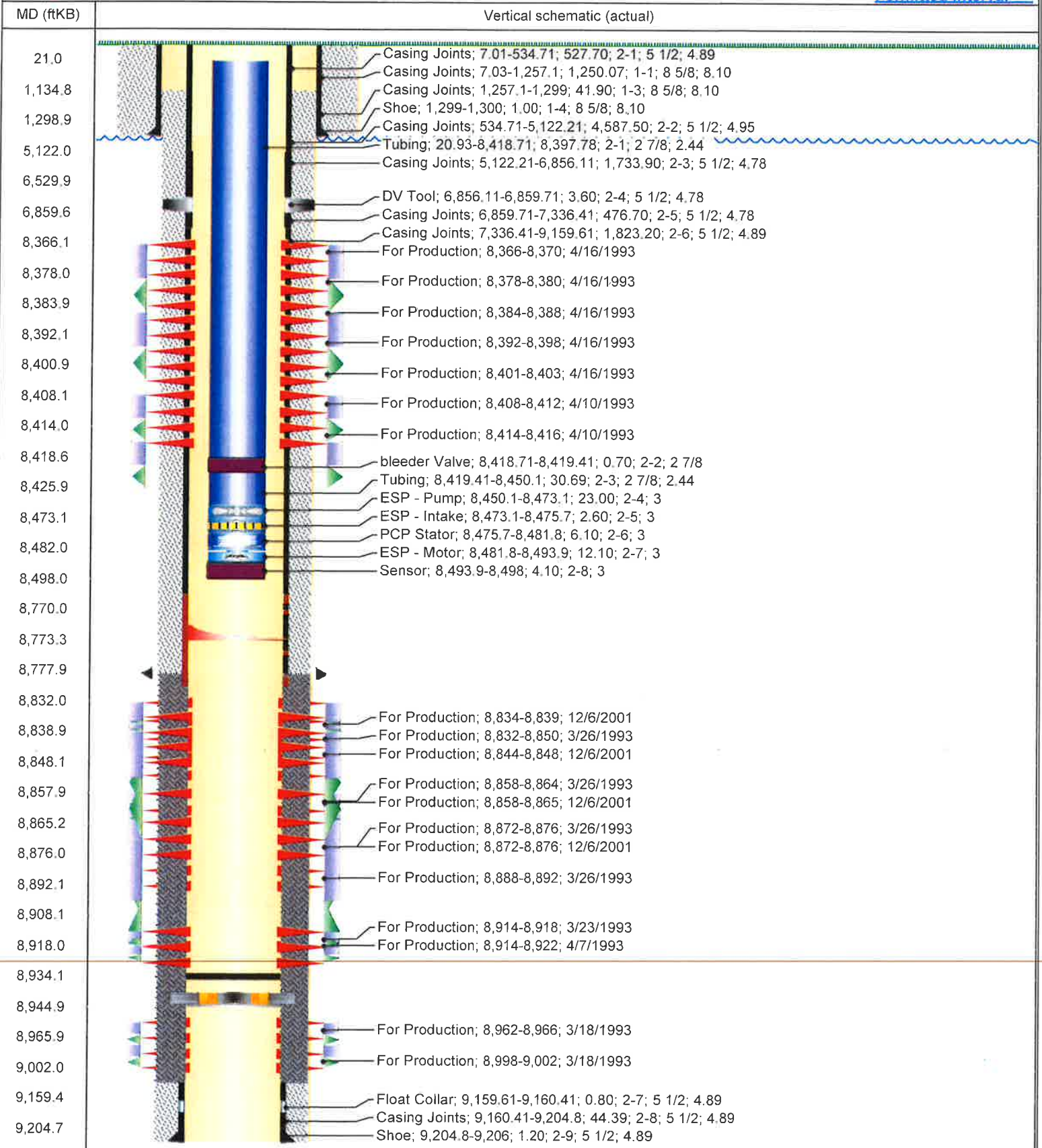
Fault Block:

| | | | | | | | | | | | | | | |
|-----------------------|----------------------------|---------------------------|---------------------------------|-------------------------------|--|------------------|----------------------------|----------------------|-------------------------|------------------------|-------------------------|-------------------|---------------------------|-----------------------------|
| Sect 21 | Twn 014 | Twn N | Range 55 | Rng E | Surface Legal Location: Section 21 - T14N - R55E | | | | State ID# | Well Status A - Active | Well Configuration Type | Assoc TB/TestSite | Latitude 46° 57' 0.804" N | Longitude 104° 45' 40.99" W |
| Field Name Gas City | | API/UMI 25021211200000 | | | Total Depth (All) (ft) 7.00 | | Total Depth All (TVD) (ft) | | Original Hole - 8,934.0 | | PBDT (All) (ft) | | Original Hole - 8,934.0 | |
| Gr Elev (ft) 2,254.00 | Orig KB Elev (ft) 2,261.00 | KB-Grd (ft) 7.00 | Total Depth (All) (ft) 7.00 | | Original Hole - 8,934.0 | | Total Depth All (TVD) (ft) | | Original Hole - 8,934.0 | | PBDT (All) (ft) | | Original Hole - 8,934.0 | |
| Spud Date 2/11/1993 | TD Date 3/6/1993 | Rig Release Date 3/7/1993 | Completion Start Date 3/14/1993 | Completion End Date 4/21/1993 | On Production Date 5/11/1993 | First Sales Date | First Inj Date | First Date CO2 Flood | Abandon Date | | | | | |

TD: 9,206.00

Original Hole, 8/22/2018 8:57:30 AM

Permitted Interval = -



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 37.8 ° API (corrected to 60° F.)

Formation Volume Factor N/A Porosity 10 % Average Connate water 58 %

Type of trap Structural

Producing mechanism Secondary Recovery

DRILL STEM TESTS

| D.S.T. No. | From | To | Tool Open (Min.) | Shut-in | F.P. | S.I.P. | Recovery | Cushion |
|------------|-------|-------|------------------|---------|------|--------|---|---------|
| 1 | 8356' | 8412' | 60 | 120 | 369 | 3922 | 206' SO&GCM, 461' O & GCM 353' HO&GCM | -0- |
| 2 | 8836' | 8910' | 90 | 180 | 620 | 3210 | 955' Mud, 199' O & GCM, 275' HO&GCM, 91' MGCSW | -0- |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

CORES

| No. | Interval | Recovered |
|-----|----------|-----------|
| | | |
| | | |
| | | |
| | | |
| | | |

LOG RUNS

| Type | From | To |
|------------------------|-------|-------|
| ✓ OLL/Micro FSL/GR | 1296' | 9061' |
| ✓ CNL/Litho Density/GR | 6650' | 9058' |
| | | |
| | | |
| | | |

FORMATION RECORD

(ELECTRIC LOG TOPS)

| From | To | FORMATION | Top of Formation |
|-------|-------|----------------|------------------|
| 6670' | 6918' | Charles "A" | 6770' |
| 6918' | 7233' | Charles "B" | 6918' |
| 7233' | 7925' | Mission Canyon | 7233' |
| 7925' | 8362' | Lodgepole | 7925' |
| 8362' | 8686' | Silurian | 8362' |
| 8686' | 8832' | Stony Mountain | 8686' |
| 8832' | NP | Red River | 8832' |
| | | TD | 9200' |

(Use additional sheets where needed to complete description)

Gas City #24-21H

Fault Block:

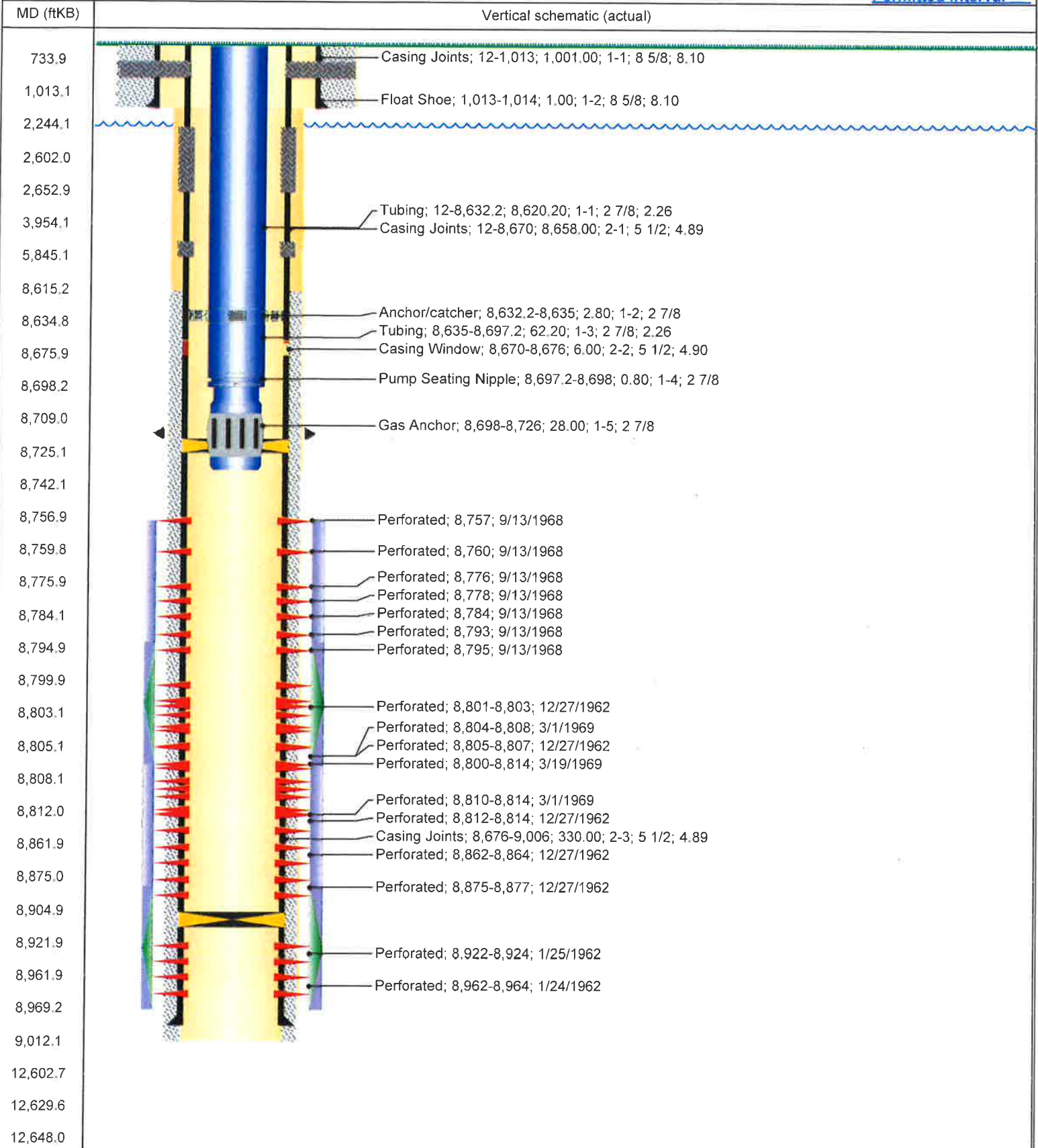
Surface Legal Location: Sec 21 T14N-R55E

| | | | | | | | |
|--------------------------|-------------------------------|-------------------------------|---|----------------------------------|-----------------------------------|-------------------------------|---------------------------------|
| Field Name Gas City | API/UWI 25021050480000 | State ID# | Well Status SI - Shut-In | Well Configuration Type | Assoc. TB/Test Site | Latitude 46° 56' 57.384" N | Longitude 104° 45' 54.527" W |
| Gr Elev (ft) 2,182.00 | Orig KB Elev (ft) 2,194.00 | KB-Ord (ft) 12.00 | Total Depth (All) (ftKB) RR LATERAL #1 - 9,833.7 | | PBD (ftKB) Original Hole - 0.0 | | |
| Spud Date 12/20/1961 | TD Date 1/13/1962 | Rig Release Date 1/15/1962 | Completion Start Date 1/23/1962 | Completion End Date 1/27/1962 | On Production Date 2/3/1962 | First Sales Date | First Inj Date |
| | | | | | | First Date CO2 Flood | Abandon Date |

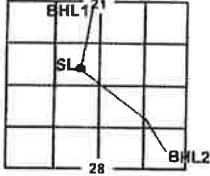
TD: 9,012.00

Original Hole, 8/22/2018 9:01:40 AM

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
 JAN - 5 2006
 ARM 36.22.1013
 ARM 36.22.1414

COMPLETION REPORT

Company Encore Operating, L. P. Lease Private Well No. 24-21H

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

The well is located 560 ft. from S line and 1977 ft. from W line of Sec. 21
N or S E or W

Sec. 21 ; T. 14N R. 55E County Dawson ; Elevation 2182 GL
(O.F., R.B. or G.L.)

Commenced drilling September 30, 2005 ; Completed November 7, 2005

Write the API# or the well name of another well on this lease if one exists 25-021-05053 (33X-21)

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 (horizontal re-entry) Signed [Signature]
(oil well, gas well, dry hole, cbm, injection)

API# 25 - 021-05048 Title Tommy J. Yates - Sr. Regulatory Analyst

Bottomhole Location(s): Date January 4, 2006

SE Leg 1: 2126' FNL & 549' FEL Sec 28-T14N-R55E Dawson County, MT, MD=12648', TVD=8834', Open hole 8718'-12648'
 NE Leg 2: 2492' FSL & 2493' FWL Sec 21-T14N-R55E Dawson County, MT, MD=10736', TVD=8805', Open hole 8718'-10736'

IMPORTANT ZONES OF POROSITY

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

From 8718 md to 12648' md SE Leg O,W,G From _____ to _____
 From 8718 md to 10736' md NE Leg O,W,G 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 |
|----------------|----------------|-------|---------|------------|------|------------|----------------|---------------------|
| 8 5/8 Existing | 24# | J-55 | 8rd STC | 1014 | 1014 | Surface | 350 | |
| 5 1/2 Existing | 14,15.5, 17 | J-55 | 8rd LTC | 9006 | 9006 | 8615 (CBL) | 185 | |
| | | | | | | | | |

TUBING RECORD

| Size Tubing | Weight Per Ft. | Grade | Thread | Amount | Perforations |
|-------------|----------------|-------|--------|------------|--------------|
| 2 7/8 | 6.5 | L80 | 8rd | TAC @ 8627 | |

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 to Above

| PERFORATIONS | | | ACIDIZED, SHOT, SAND FRACED, CEMENTED | | | |
|---------------|----|--------------------------|---------------------------------------|---------|---|----------|
| Interval From | To | Number and Size and Type | Interval | | Amount of Material Used | Pressure |
| | | | From | To | | |
| | | | 1014 | Surface | 39bbbls Cement in 8 5/8 Annulus (9/24/05) | |
| | | none - open hole | 8718 | 12648 | 62bbbls 15% HCL (10/18/05) | |
| | | | 8718 | 10736 | 95bbbls 15% HCL (10/18/05) | |

(If P&A show plugs above)

INITIAL PRODUCTION

Well is producing from Red River U (pool) formation.
 I.P. 285 barrels of oil per 24 hours Pumping
(Pumping or flowing)
58 MCF of gas per 24 hours.
283 barrels of water per 24 hours, or _____ % W.C.

RECEIVED

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.)

JAN - 5 2006

MONTANA DEPT. OF OIL
& GEOL. SURV. & MINING

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 | |
| | | | | | | | | |
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CORES

| No. | Interval | Recovered |
|-----|----------|-----------|
| | | Not cored |
| | | |
| | | |
| | | |
| | | |

LOG RUNS

| Type | From | To |
|-----------------------------|------|-------|
| Mud Log & Geological Report | 8718 | 12648 |
| Mud Log & Geological Report | 8718 | 10736 |
| Directional Survey | 8918 | 12648 |
| Directional Survey | 8918 | 10736 |
| CBL / CCL (9/21/05) | 1019 | 45 |

FORMATION RECORD
(ELECTRIC LOG TOPS)

| From | To | FORMATION | Top of Formation |
|------|----|--------------------------------|------------------|
| | | Tops Identified per Mud Logger | |
| | | Red River | 8747 TVD |
| | | Red River U | 8759 TVD |
| | | Red River U2 | 8799 TVD |

(Use additional sheets where needed to complete description)

LOCATE WELL CORRECTLY

| | | | |
|--|---|--|--|
| | | | |
| | | | |
| | | | |
| | X | | |

(SUBMIT IN TRIPLICATE)
TO

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF MONTANA
BILLINGS OR SHELBY

LOG OF WELL

RECEIVED
FEB 19 1962

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF MONTANA

Form No. 4
(Gen. Rule 206.3 & 231)

Company Shell Oil Company Lease Unit Well No. 24-21
 Address P.O. Box 2547 Billings, Montana Field (or Area) _____ Gas City _____
 The well is located 560 ft. from (S) line and 1977 ft. from (W) line of Sec. 21
 Sec. 21; T. 14N; R. 55E; County Dawson; Elevation 2194
 Commenced drilling 12-20, 1961; Completed 1-31, 1962

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 Dry Well Signed A. J. Jensen
 (oil well, gas well, dry hole) Title Division Exploitation Engineer
 Date February 15, 1962

IMPORTANT ZONES OF POROSITY

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

From _____ to _____ From _____ to See attached well history
 From _____ to _____ From _____ to for drilling and completion
 From _____ to _____ From _____ to details.
 From _____ to _____ From _____ to _____

CASING RECORD

| Size Casing | Weight Per Ft. | Grade | Thread | Casing Set | From | To | Sacks of Cement | Cut and Pulled from |
|-------------|----------------|-------|--------|------------|------|----|-----------------|---------------------|
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

TUBING RECORD

| Size Tubing | Weight Per Ft. | Grade | Thread | Amount | Oil and Gas Conservation Commission of the State of Montana - Billings |
|-------------|----------------|-------|--------|--------|--|
| | | | | | |

COMPLETION RECORD

Rotary tools were used from 0 to 9012
 Cable tools were used from _____ to _____
 Total depth 9012 ft.; Plugged back to 8972 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 | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

(If P&A show plugs above)

INITIAL PRODUCTION

Well is producing from Red River (wraovician) (pool) formation.
 I. P. 270 barrels of oil per 24 hours Flowing
 (pumping or flowing)
80.8 Mcf of gas per 24 hours.
5 barrels of water per 24 hours, or 1 % W.C.
 (OVER) Grav 38.7 API

KVL/jmb

| | | | | |
|------------|-----------|----------|-------------|----------|
| Sect 28 | Twn 14 | Twn N | Range 55 | Rng E |
|------------|-----------|----------|-------------|----------|

Gas City A #31-28

Value: Gas City A #31-28 (Govt Unit 31-

Fault Block:

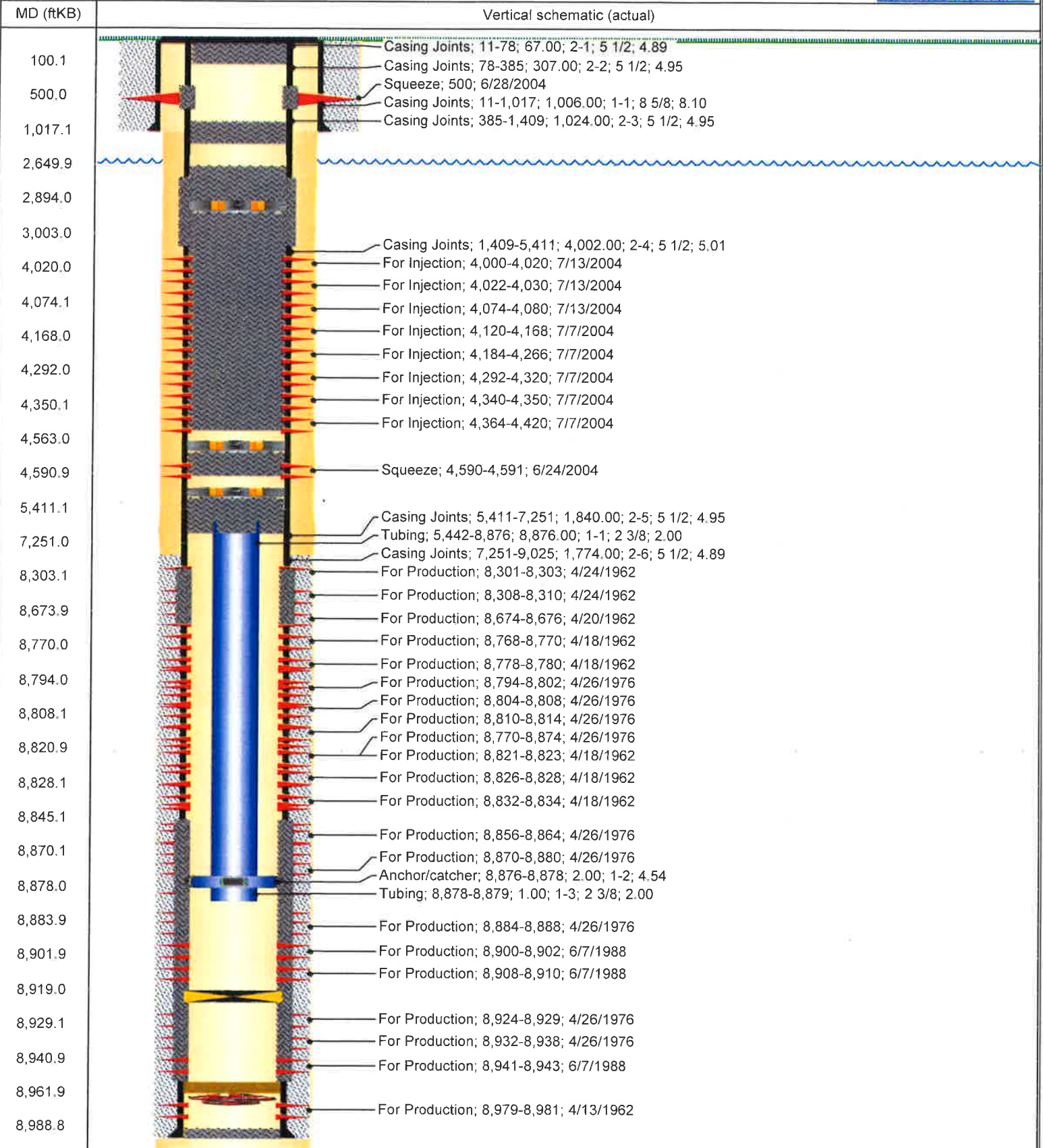
Surface Legal Location: SECTION 28 - T14N - R55E

| | | | | | | | |
|--------------------------|-------------------------------|----------------------|---|-------------------------------------|---|-------------------------------|---------------------------------|
| Field Name Gas City | API/UWI 25021050470000 | State ID# | Well Status PA - Permanently Abandoned | Well Configuration Type Vertical | Assoc TB/TestSite | Latitude 46° 56' 46.188" N | Longitude 104° 45' 36.814" W |
| Gr Elev (ft) 2,187.00 | Orig KB Elev (ft) 2,198.00 | KB-Grd (ft) 11.00 | Total Depth (All) (ftKB) Original Hole - 9,030.0 | Total Depth All (TVD) (ftKB) | PBTD (All) (ftKB) Original Hole - 11.0 | | |
| Spud Date 3/16/1962 | TD Date 4/3/1962 | Rig Release Date | Completion Start D | Completion End Date | On Production Date | First Sales Date | First Inj Date |
| | | | | | | First Date CO2 Flood | Abandon Date 10/8/2007 |

TD: 9,030.00

Vertical, Original Hole, 8/22/2018 11:04:53 AM

Permitted Interval = -



LOCATE WELL CORRECTLY

| | | | |
|------------|--|---|--|
| | | X | |
| Section 28 | | | |
| | | | |
| | | | |

(SUBMIT IN TRIPLICATE)
TO

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF MONTANA
BILLINGS OR SHELBY

RECEIVED
Form No. 4
(Gen. Rule 206.3 (6) 211)
JUN 8 1962
OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF MONTANA
2

LOG OF WELL

Company Shell Oil Company Lease Unit Well No. 31-28
Address P. O. Box 2547 Billings, Montana Field (or Area) Gas City
The well is located 584 ft. from (N) ~~(S)~~ line and 2152 ft. from (E) ~~(W)~~ line of Sec. 28
Sec. 28; T. 14N; R. 55E; County Dawson; Elevation 2198
Commenced drilling 3-16-62, 1962; Completed 5-3-62, 1962

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) Title Division Exploitation Engineer
Date June 5, 1962

IMPORTANT ZONES OF POROSITY

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

From _____ to _____ From _____ to See attached well history
From _____ to _____ From _____ to for drilling and completion
From _____ to _____ From _____ to details.
From _____ to _____ From _____ to _____

CASING RECORD

| Size Casing | Weight Per Ft. | Grade | Thread | Casing Set | From | To | Sacks of Cement | Cut and Pulled from |
|-------------|----------------|-------|--------|------------|------|----|-----------------|---------------------|
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

TUBING RECORD

| Size Tubing | Weight Per Ft. | Grade | Thread | Amount | Perforations |
|-------------|----------------|-------|--------|--------|--------------|
| | | | | | |

COMPLETION RECORD

Rotary tools were used from 0 to 9030
Cable tools were used from _____ to _____
Total depth 9030 ft.; Plugged back to 8989 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 | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

(if P&A show plugs above)

INITIAL PRODUCTION

Well is producing from Ordovician (Red River) (pool) formation.
I. P. 247 barrels of oil per 24 hours Flowing
(pumping or flowing)
49.9 Mcf of gas per 24 hours.
7 barrels of water per 24 hours, or 2 % W.C.

(OVER)

Grav 37.4 API

RECEIVED

Gas City

FORM 8087-1 (7-54) PREVIOUS EDITIONS OBSOLETE

| | | | |
|--|--|-------------------|-----------------------------|
| Shell Oil Company (COMPANY) | LEASE SURVEY | Unit MPM | Well No. 31-28 |
| JUN 8 1962 | STATE | Sec. 28 | T. 14N R. 55E |
| WELL COMPLETION REPORT | | Montana | County } Dawson |
| Date of Report: 5-16-62 | Division: Billings | | Parish } |
| LOCATION: 584' PNL & 215' THE STATE OF SEC. 28 | OIL AND GAS CONSERVATION COMMISSION DISTRICT | | |
| Elevation Derrick Floor: Csg. Hd. Flg. | Kelly Bushing: 2198 | Measurement Datum | |
| Type of Rig: Rotary | Begun: 3-13-62 | Compl.: 4-3-62 | Contractor: Pruett Drig Co. |
| Completion: 4-12-62 | | 4-30-62 | Workover Service #2 |
| Rotary Tools from: sfc to TD | Begun: 3-16-62 | Compl.: 3-31-62 | Contractor: Pruett |
| Cable Tools from: to | Begun: | Compl.: | Contractor: |
| Official Completion Date: 5-3-62 | Total Depth: 9030 | P. B. T. D.: 8989 | |

| STRATA OPEN TO PRODUCTION | | | | PERFORATION RECORD | | | | |
|---------------------------|--------|------------------|--------------|--------------------|------|--------------|------|---------|
| TOP | BOTTOM | NAME | HOW PRODUCED | FROM | TO | NUMBER SHOTS | SIZE | DATE |
| 8768 | 8780 | Red River (U-U4) | Flowing | 8979 | 8981 | 2 1/2 ft | | 4-13-62 |
| 8821 | 8834 | " " (U4-U5) | " | 8941 | 8943 | " | | 4-15-62 |
| 8900 | 8981 | " " (U6-U9) | " | 8908 | 8910 | " | | " |
| | | | | 8900 | 8902 | " | | " |
| | | | | 8768 | 8770 | " | | 4-18-62 |
| | | | | 8778 | 8780 | " | | " |
| | | | | 8821 | 8823 | " | | " |
| | | | | 8826 | 8828 | " | | " |

| ACID TREATMENT RECORD | | | | | SHOT RECORD | | | | |
|-----------------------|----------------|--------------|------|------|-------------|-------|-----|--------------|-----------------|
| DATE | AMOUNT OF ACID | KIND | FROM | TO | DEPTH | FRONT | END | SCREEN DEPTH | CONC |
| 4-13-62 | 500 gal | reg. 15% HCL | 8979 | 8981 | 8832 | 8834 | " | | " |
| 4-14-62 | 3000 gal | " | 8979 | 8981 | 8674 | 8676 | " | | 4-21-62 (Sgz'd) |
| 4-16-62 | 3000 gal | " | 8941 | 8943 | 8301 | 8303 | " | | 4-24-62 |
| 4-16-62 | 3000 gal | " | 8900 | 8910 | 8308 | 8310 | " | | " |
| 4-18-62 | 3000 gal | " | 8768 | 8780 | | | | | " |
| 4-18-62 | 3000 gal | " | 8821 | 8834 | | | | | " |
| 4-21-62 | 500 gal | reg. 15% HCL | 8674 | 8676 | | | | | |
| 4-24-62 | 500 gal | " | 8301 | 8310 | | | | | |
| 4-25-62 | 3000 gal | " | 8301 | 8310 | | | | | |

| CASING AND TUBING RECORD | | | | | | | | | | | | |
|--------------------------|--------|------|---------|-------|-------------|----------|--------|--------|--------------------------------------|---------------|-------|--|
| SIZE (O.D.) | WEIGHT | TYPE | THREADS | GRADE | NEW OR S.H. | MAKE | BOTTOM | CEMENT | | TUBING PACKER | | ASPHALT W/ Cas. Hardtop Free Before Cmt. |
| | | | | | | | | SACKS | TYPE | TYPE | DEPTH | |
| 8-5/8 | 24 | Smls | 8rd | J-55 | New | Domestic | 1017 | 350 | 1:1 poz mix, 3% | CaCl2 | | |
| 5-1/2 | 17 | " | " | " | " | " | | | | | | |
| | 15.5 | " | " | " | " | " | 9025 | 200 | reg w/ 2% CaCl2, Halad 9 | 15.6% gel, 1% | | |
| | 14 | " | " | " | " | " | | | | | | |
| 2-7/8 | 6.5 | EUE | 8rd | J-55 | New | " | 8970 | | Mud anchor at 8970, API shoe at 8940 | | | |
| | | | | | | | | | Page anchor at 8850 | | | |

| Squeeze Record | | SCREEN AND LINER RECORD | | | | | | | | | | |
|----------------|--------|-------------------------|---------|---------|-------------|-------------------|--------------|-----------------|--------------|-------------------|-------------------------|--|
| SIZE (O.D.) | WEIGHT | TYPE | THREADS | GRADE | NEW OR S.H. | MAKE | TOP OF LINER | BOTTOM OF LINER | SCREEN GAUGE | SCREENED INTERVAL | TYPE AND MAKE OF PACKER | |
| Top | Bottom | Name | Date | Details | | | | | | | | |
| 8674 | 8676 | Stony Mtn | 4-23-62 | 100 | sx, 1:1 | poz, 0.8% Halad 9 | | | .2% HR-4, 95 | sx in formation | | |
| 8301 | 8310 | Silurian | 4-26-62 | 100 | sx, 1:1 | poz. | | | | | | |

| OFFICIAL POTENTIAL TEST RECORD | | | | | | | | | |
|--------------------------------|-------------|---------------|----------------|--------|-------|------------|---------|-----------|--------|
| DATE | OIL BARRELS | WATER BARRELS | GAS M. CU. FT. | G.O.R. | HOURS | SIZE CHOKE | METHOD | PRESSURES | |
| | | | | | | | | CASING | TUBING |
| 5-9-62 | 247 | 7 | 49.9 | 202 | 24 | 10/64" | Flowing | | 625 ps |
| GRAVITY | 37.4 | STATIC B.H.P. | | DATUM | | | | | DATE |

CORRECT B. E. Ausburn EXPLOITATION ENGINEER APPROVED _____ SUPERINTENDENT

RECEIVED

JUN 8 1962

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF MONTANA

EL & RA LOG MARKERS
Gas City Field
Unit 31-28
Elev 2198 KB

| | | | | | | | |
|----|-----------------|------|---------|----|----------------|------|---------|
| B | TELEGRAPH CREEK | 1337 | (+ 861) | P9 | | 8202 | (-6004) |
| C | GREENHORN | 2793 | (- 595) | S | SILURIAN | 8286 | (-6088) |
| E | NEWCASTLE | 3532 | (-1334) | S4 | | 8417 | (-6219) |
| | PIPER | 5004 | (-2806) | T | STONY MOUNTAIN | 8617 | (-6419) |
| H | SPEARFISH | 5297 | (-3099) | T2 | | 8632 | (-6434) |
| J | MINNEKAHTA | 5639 | (-3441) | T3 | | 8747 | (-6549) |
| L | HEATH | 6103 | (-3905) | T4 | | 8752 | (-6554) |
| L2 | OTTER | 6416 | (-4218) | T5 | | 8724 | (-6526) |
| L3 | KIBBEY | 6593 | (-4395) | U | RED RIVER | 8765 | (-6567) |
| M | CHARLES "A" | 6867 | (-4669) | U4 | | 8820 | (-6622) |
| N | CHARLES "B" | 7026 | (-4828) | U5 | | 8836 | (-6638) |
| O | faulted out | | | U6 | | 8862 | (-6664) |
| O5 | | 7602 | (-5404) | U9 | | 9007 | (-6812) |
| P2 | LODGEPOLE | 7700 | (-5502) | TD | | 9030 | (-6832) |

Gas City A #13-27 ST

| Sect | Twn | Range | Rng |
|------|-------|-------|-----|
| 27 | 014 N | 55 | E |

Surface Legal Location: Section 27 - T14N - R55E

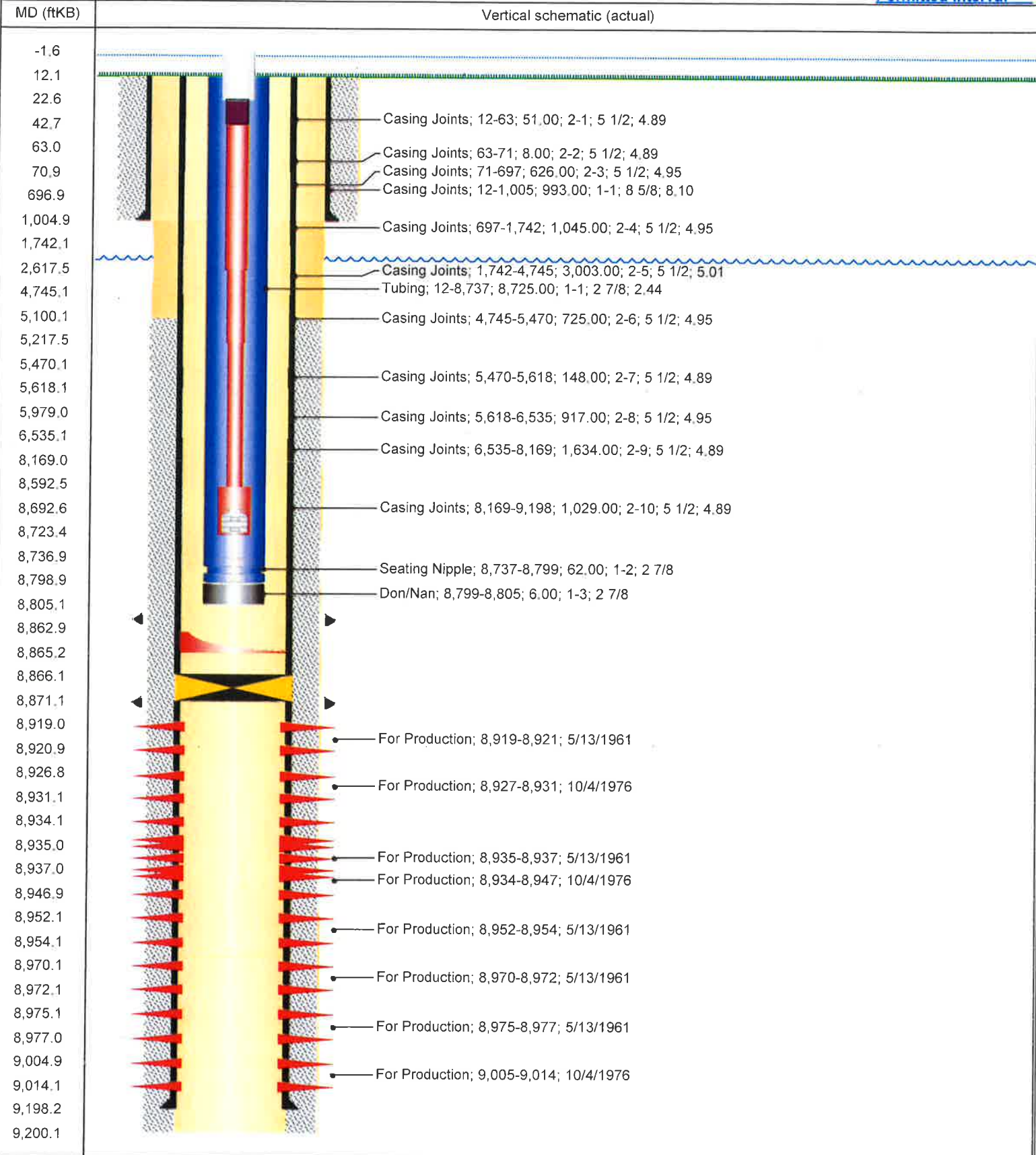
Fault Block:

| | | | | | | | | | |
|--------------------------|-------------------------------|----------------------|--|-------------------------|--------------------|------------------------------|---------------------------------|----------------------|--------------|
| Field Name Gas City | API/UWI 25021050420000 | State ID# | Well Status A - Active | Well Configuration Type | Assoc.TB/TestSite | Latitude 46° 56' 18.72" N | Longitude 104° 44' 55.341" W | | |
| Gr Elev (ft) 2,243.00 | Orig KB Elev (ft) 2,255.00 | KB-Ord (ft) 12.00 | Total Depth All (TVD) (ftKB) Original Hole - 8,509.0; Leg 2 - 11,954.0; Subtrack 2 - 15,157.0; Leg 1 - 13,375; Leg 2 - 8,817.0; Subtrack 7 - 6,950.4; Leg 3 - 6,926.4; Subtrack | | PBTD (AU) (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: 9,200.00

Original Hole, 8/22/2018 9:07:50 AM

Permitted Interval = -



| | | | |
|--|--|--|--|
| | | | |
| | | | |
| | | | |
| | | | |

(SUBMIT IN TRIPPLICATE)
TO

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

COMPLETION REPORT

Company Cortez Operating Company Lease Gas City Unit Well No. 13-27

Address 2745 N. Dallas Pkwy; Ste 220, Plano, TX 75093 Field (or Area) Gas City

The well is located 1923 ft. from S line and 736 ft. from W line of Sec. 27
N or S E or W

Sec. 21; T. 14N R. 55E County Dawson; Elevation 2255' KB
(D.F., R.B. or G.L.)

Commenced drilling February 3, 2003; Completed July 1, 2003

Write the API# or the well name of another well on this lease if one exists 25-021-05042

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 (Re-entered) Oil Well Signed Jerry J. Smith
(oil well, gas well, dry hole, cbm, injection)

API# 25 - 021-05042 Title consultant Form corrected for BHLs

Bottomhole Location(s): Date August 18, 2003
A-1 lateral NWNW Sec 27 341' FNL & 296' FWL U-1 lateral SESE Sec 21 562' FSL & 332' FEL
B-1 lateral SESE Sec 21 440' FSL & 172' FEL U-2 lateral SENW Sec 34 1891' FNL & 2635' FWL
A-2 lateral SWNE Sec 34 2551' FNL & 1656' FEL B-2 lateral SWSW Sec 27 769' FSL & 1110' FWL

IMPORTANT ZONES OF POROSITY

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

From 7082 to 7208' Charles A (W) From _____ to _____
From 8916 to 8922' Red River (O&W) 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 |
|-------------|----------------|------------|--------|------------|------|-------|----------------|---------------------|
| 8 5/8 | 24 | J-55 | STC | 1005' | 0 | 1005' | 375 | none |
| 5 1/2 | 15.5,17 | J-55, N-80 | LTC | 9198' | 0 | 9198' | 340 | none |
| | | | | | | | | |

TUBING RECORD

| Size Tubing | Weight Per Ft. | Grade | Thread | Amount | Perforations |
|-------------|----------------|-------|--------|--------|--------------|
| 2 7/8 | 6.5 | N-80 | EUE | 8729' | N/A |

COMPLETION RECORD

Rotary tools were used from 0 to _____
Cable tools were used from N/A to _____
Total depth _____ ft.; Plugged back to _____ 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 | | |
| 8,864 | 13276 MD | U 2 open hole | | | 4000 gals. | 0 psi |
| 8864 | 14329 MD | A2 open hole | | | 4000 gals. | 0 psi |
| 8864 | 10167 MD | B2 open hole | see pg. 2 | additional | info. | |
| 8847 | 12955 MD | U 1 open hole | | | 4000 gals. | 0 psi |

(if P&A show plugs above)

INITIAL PRODUCTION

Well is producing from Red River (pool) formation.
I.P. 348 barrels of oil per 24 hours pumping
(Pumping or flowing)
178 MCF of gas per 24 hours.
1045 barrels of water per 24 hours, or 75 % W.C.

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

Pressures (if measured): Tubing pumping psi flowing; 0 psi shut-in

Casing 0 psi flowing; 0 psi shut-in

Gravity 39.5 ° API (corrected to 60°F.)

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

Type of trap _____

Producing mechanism partial water drive

DRILL STEM TESTS

| D.S.T No. | From | To | Tool Open (Min.) | Shut-in | F.P. | S.I.P. | Recovery | Cushion |
|-----------|------|----|------------------|---------|------|--------|-----------------|---------|
| | | | | | | | NO TESTS | |
| | | | | | | | | |
| | | | | | | | | |
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| | | | | | | | | |

CORES

| No. | Interval | Recovered |
|-----|------------|-----------|
| | N/A | |
| | | |
| | | |
| | | |
| | | |
| | | |

LOG RUNS

| Type | From | To |
|------|------|----|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

**FORMATION RECORD
(ELECTRIC LOG TOPS)**

| From | To | FORMATION | Top of Formation |
|--|-------|-----------------------|------------------|
| 5,692 | 5,712 | Minnekahta | |
| | | Charles B | |
| 7,279 | 7,825 | Mission Canyon | |
| 8,533 | 8,758 | Interlake | |
| 8,810 | 8,877 | Gunton | |
| 0 | 0 | 0 | |
| 8,877 | 8,916 | Stony Mountain | |
| 8,916 | | Red River | |
| <p>Well completed thru six (6) open hole laterals in the Red River.</p> <p>Bottom hole locations listed on page one.</p> <p>ditional producing interval data 8847'- 11930' open hole 4000 gals 0 psi A A (1)</p> <p>B (1) openhole lateral 8847'-12796' no stimulation</p> | | | |

(Use additional sheets where needed to complete description)

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

| | | |
|--|---|--------------------------|
| In the Matter of the application of |) | NOTICE OF |
| |) | INTENTION TO APPLY |
| <u>Denbury Onshore, LLC</u> |) | FOR A CLASS II INJECTION |
| |) | WELL PERMIT |
| 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, 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)

Gas City 41-28 Location: NENE, 484' FNL & 891' FEL, Sec. 28, T14N-R55E Dawson County, MT.

3. Source of fluids to be injected:

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

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

Mission Canyon-Lodgpole Formation at approximately 7245'-7856'.

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

An Aquifer Exemption is not required.

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, October 4, 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

To: BILLINGS GAZETTE
Re: LEGAL NOTICE

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!

Naomi Johnson

Subject: RE: [EXT] RE: Public Notice for Publication - Gas City 41-28

From: Tammy Ward [<mailto:TWard@billingsgazette.com>]
Sent: Wednesday, August 15, 2018 11:39 AM
To: Naomi Johnson <naomi.johnson@denbury.com>
Subject: [EXT] RE: Public Notice for Publication - Gas City 41-28

Here is your proof of the legal ad you requested. Please let me know if there are changes or if the ad is ok to run on 08/17.

Thank you,
Tammy
406-657-1212



From: Naomi Johnson [<mailto:naomi.johnson@denbury.com>]
Sent: Wednesday, August 15, 2018 9:42 AM
To: BIL_ Classified <BClassified@billingsgazette.com>
Subject: Public Notice for Publication - Gas City 41-28

Good Morning!

Please have the attached Public Notice published as soon as possible. I've attached a pdf as well as an excel format. Please let me know if you have any questions or if anything else is needed before this can be published.

Thanks so much!

Naomi Johnson
Regulatory Compliance Specialist | North Region
Denbury Resources Inc | 5320 Legacy Dr | Plano, TX 75024
Phone: 972-673-2552 | Email: naomi.johnson@denbury.com



| | | | | |
|---------------------|--|---------------------|--------------------|-------------------------|
| Page | : 1 of 2 | 08/15/2018 11:35:44 | Ad Number | : 12245369 |
| Order Number | : 20860855 | | Ad Key | : |
| PO Number | : | | Salesperson | : R19 - Tersesa Cox R19 |
| Customer | : 60083782 DENBURY RESOURCES, INC | | Publication | : Online |
| Contact | : Naomi Johnson | | Section | : Class Liner |
| Address1 | : 5320 LEGACY DRIVE | | Sub Section | : Class Liner |
| Address2 | : | | Category | : 2250 LEGAL NOTICES |
| City St Zip | : PLANO TX 75024 | | Dates Run | : 08/17/2018-08/17/2018 |
| Phone | : (972) 673-2777 | | Days | : 1 |
| Fax | : | | Size | : 1 x 5.85, 65 lines |
| | : | | Words | : 280 |
| Printed By | : Tammy Ward | | Ad Rate | : Legal 1day |
| Entered By | : Tammy Ward | | Ad Price | : 189.20 |
| | : | | Amount Paid | : 0.00 |
| | : | | Amount Due | : 189.20 |
| Keywords | : BEFORE THE BOARD OF OIL AND GAS CONSERVATION OF TH | | | |
| Notes | : | | | |
| Zones | : | | | |

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
532 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 loca-
tion, if a directional or horizontal well)
Gas City 41-28 Location: NENE, 484'
FNL & 891' FEL, Sec. 28,
T14N-R55E Dawson County, MT.

3. Source of fluids to be injected
Produced Water from Denbury On-
shore, LLC Operations located in
the Gas City Field.

4. Zone or formation, including depth,
into which fluid will be injected.
Mission Canyon-Lodgpole Forma-
tion at approximately 7245'- 7856'.

5. Statement that an Aquifer Exemp-
tion will or will not be requested.
An Aquifer Exemption is not re-
quired.

Notice is hereby given that an applica-
tion 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 Hear-
ing Room, Billings, Montana on Thurs-
day, October 4, 2018. An interested
party may demand opportunity to be
heard by the Montana Board of Oil and
Gas Conservation concerning said ap-
plication

Montana Board of Oil and Gas

| | | | | | |
|---------------------|---|--|--------------------|---|-----------------------|
| Order Number | : | 20860855 | Ad Number | : | 12245369 |
| PO Number | : | | Ad Key | : | |
| Customer | : | 60083782 DENBURY RESOURCES, INC | Salesperson | : | R19 - Tersesa Cox R19 |
| Contact | : | Naomi Johnson | Publication | : | Online |
| Address1 | : | 5320 LEGACY DRIVE | Section | : | Class Liner |
| Address2 | : | | Sub Section | : | Class Liner |
| City St Zip | : | PLANO TX 75024 | Category | : | 2250 LEGAL NOTICES |
| Phone | : | (972) 673-2777 | Dates Run | : | 08/17/2018-08/17/2018 |
| Fax | : | | Days | : | 1 |
| | : | | Size | : | 1 x 5.85, 65 lines |
| | : | | Words | : | 280 |
| Printed By | : | Tammy Ward | Ad Rate | : | Legal 1day |
| Entered By | : | Tammy Ward | Ad Price | : | 189.20 |
| | : | | Amount Paid | : | 0.00 |
| | : | | Amount Due | : | 189.20 |
| Keywords | : | BEFORE THE BOARD OF OIL AND GAS CONSERVATION OF TH | | | |
| Notes | : | | | | |
| Zones | : | | | | |

Conservation
535 St. Johns Avenue
Billings MT 59102
Office: (406) 656-0040
Fax: (406) 655-6015
Published August 17, 2018

To: HELENA INDEPENDENT RECORD
Re: LEGAL NOTICE

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!

Naomi Johnson

From: Cathyann Christian <Cathyann.Christian@helenair.com>
Sent: Thursday, August 16, 2018 10:14 AM
To: Naomi Johnson
Subject: [EXT] RE: Public Notice for Publication - Gas City 41-28

This is scheduled to run per your request. Saturday August 18, 2018. The price is ~~\$152.20~~.

Thank you

Cathyann

\$140.96

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, 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) **Gas City 41-28 Location: NENE, 484' FNL & 891' FEL, Sec. 28, T14N-R55E Dawson County, MT.**

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

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

Mission Canyon-Lodgpole Formation at approximately

7245'-7856'.

5. Statement that an Aquifer Exemption will or will not be requested. **An Aquifer Exemption is not required.**

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, October 4, 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

August 18,

MNAXLP

2018

From: Naomi Johnson [mailto:naomi.johnson@denbury.com]

Sent: Wednesday, August 15, 2018 9:42 AM

To: Hel IR Legal Ads

Subject: Public Notice for Publication - Gas City 41-28

Good Morning!

Please have the attached Public Notice published as soon as possible. I've attached a pdf as well as an excel format. Please let me know if you have any questions or if anything else is needed before this can be published.

Thanks so much!

Naomi Johnson

Regulatory Compliance Specialist | North Region

Denbury Resources Inc | 5320 Legacy Dr | Plano, TX 75024

Phone: 972-673-2552 | Email: naomi.johnson@denbury.com

Denbury 

To: GLENDIVE RANGER REVIEW
Re: LEGAL NOTICE

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!

Naomi Johnson

From: Elizabeth Kaiser <rrcomp@rangerreview.com>
Sent: Wednesday, August 15, 2018 11:05 AM
To: Naomi Johnson
Subject: [EXT] Re: Public Notice for Publication - Gas City 41-28

Naomi,
I have this scheduled to publish in the 8/19/2018 issue of the Ranger-Review.
Elizabeth

On Aug 15, 2018, at 9:41 AM, Naomi Johnson <naomi.johnson@denbury.com> wrote:

Good Morning!

Please have the attached Public Notice published as soon as possible. I've attached a pdf as well as an excel format. Please let me know if you have any questions or if anything else is needed before this can be published.

Thank you so much!

Naomi Johnson
Regulatory Compliance Specialist | North Region
Denbury Resources Inc | 5320 Legacy Dr | Plano, TX 75024
Phone: 972-673-2552 | Email: naomi.johnson@denbury.com
<image001.jpg>

<1178_001.pdf><Gas City 41-28 Public Notice.xls>

Elizabeth Kaiser
rrcomp@rangerreview.com
406-377-3303

SATHE ANALYTICAL LABORATORY, INC.

301 W. 2ND STREET

P.O. BOX 1527
WILLISTON, ND. 58801

701-572-3632

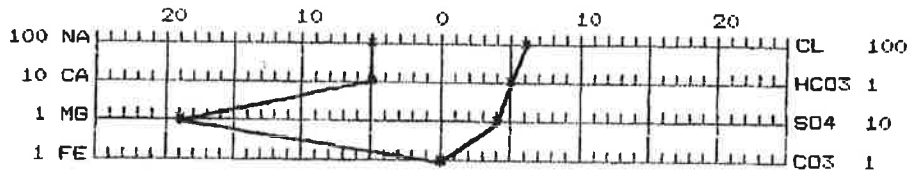
WATER ANALYSIS REPORT

OPERATOR: ENCORE OPERATING L.P. DATE: 12/11/09
 WELL NO. NORTH PINE 24-19CH LAB NO.: W-09-3402
 FIELD: North Pine FORMATION: Mission Canyon
 COUNTY: Wibaux INTERVAL: 7611'-7748'
 STATE: MT DST #:
 LOC: not listed SAMPLE 44 BBLs 12/21/09 PRODUCED H2O

| CATIONS | MG/L | MEQ/L | ANIONS | MG/L | MEQ/L |
|-----------|---------|-------|-------------|---------|-------|
| SODIUM | 11950.0 | 519.8 | CHLORIDE | 20020.7 | 564.8 |
| CALCIUM | 1074.2 | 53.6 | CARBONATE | 0.0 | 0.0 |
| MAGNESIUM | 229.0 | 18.8 | BICARBONATE | 329.5 | 5.4 |
| IRON | 0.1 | 0.0 | SULFATE | 2137.8 | 44.5 |
| POTASSIUM | 329.0 | 8.4 | NITRATE | 0.0 | 0.0 |
| BIARIUM | 0.0 | 0.0 | | | |
| CHROMIUM | 0.0 | 0.0 | | | |

SPECIFIC GRAVITY @ 77°F 1.020 PH 6.70
 RESISTIVITY @ 77°F.ohm-meters 0.254 NACL (Calc.) 33013.7
 TOTAL DISSOLVED SOLIDS (Calc.) MG/L 36070.3 HYDROGEN SULFIDE NEG

WATER ANALYSIS PATTERN - MEQ/L



REMARKS - Received 12/9/09.

DISTRIBUTION OF RESULTS
 Art DeGrand -- Baker MT.



Nalco Analytical Resources

1601 West Diehl Road, Naperville, Illinois 60563-1198
Phone: (630) 305-2315, Fax: (630) 306-2848, Analytical.Lab.Naperville@Nalco.com



Encore Operating LP
Broadus MT USA
Sample Marked: West Glendive 26 SWD
SAP Sold To Number: 0001082193

Sample Number: NW1054645
Date Sampled: 31-Jan-2010
Date Received: 10-Feb-2010
Date Completed: 17-Feb-2010

Water Analysis Report

| Cations/Metals | Total | |
|--|--------|------|
| Aluminum (Al) | <1.4 | mg/L |
| Barium (Ba) | 1.5 | mg/L |
| Boron (B) | 120 | mg/L |
| Cadmium (Cd) | <0.14 | mg/L |
| Calcium (Ca) | 3300 | mg/L |
| Chromium (Cr) | <0.43 | mg/L |
| Copper (Cu) | <0.87 | mg/L |
| Iron (Fe) | 75 | mg/L |
| Lead (Pb) | <2.9 | mg/L |
| Lithium (Li) | 24 | mg/L |
| Magnesium (Mg) | 430 | mg/L |
| Manganese (Mn) | 0.24 | mg/L |
| Molybdenum (Mo) | <0.9 | mg/L |
| Nickel (Ni) | <0.29 | mg/L |
| Potassium (K) | 1300 | mg/L |
| Silica (SiO ₂) | 140 | mg/L |
| Sodium (Na) | 25000 | mg/L |
| Strontium (Sr) | 140 | mg/L |
| Vanadium (V) | <0.29 | mg/L |
| Zinc (Zn) | <0.14 | mg/L |
| Calcium (CaCO ₃) | 8400 | mg/L |
| Magnesium (CaCO ₃) | 1800 | mg/L |
| Sodium (CaCO ₃) | 54000 | mg/L |
| Calculated Hardness (CaCO ₃) | 10000 | mg/L |
| Anions | | |
| Bromide (Br) | <200.0 | mg/L |
| Chloride (Cl) | 54000 | mg/L |
| Nitrate (NO ₃) | <200.0 | mg/L |
| Nitrite (NO ₂) | <200.0 | mg/L |
| Sulfate (SO ₄) | 890 | mg/L |
| Chloride (CaCO ₃) | 76000 | mg/L |
| Nitrate (CaCO ₃) | <160 | mg/L |
| Sulfate (CaCO ₃) | 920 | mg/L |
| ALK - Alkalinity | | |
| Bicarbonate (CaCO ₃) | 160 | mg/L |
| Methyl Orange (CaCO ₃) | 160 | mg/L |
| Phenolphthalein (CaCO ₃) | <10 | mg/L |

Authorized by : Jessica Rubino





Nalco Analytical Resources

1601 West Diehl Road, Naperville, Illinois 60563-1198
Phone: (630) 305-2316, Fax: (630) 305-2948, Analytical.Lab.Naperville@Nalco.com



Encore Operating LP
Broadus MT USA
Sample Marked: West Glendive 26 SWD
SAP SoldTo Number: 0001082193

Sample Number: NW1054645
Date Sampled: 31-Jan-2010
Date Received: 10-Feb-2010
Date Completed: 17-Feb-2010

Water Analysis Report

Others

Conductivity
pH

110000 μ S/cm
6.9 pH Units

Authorized by : Jessica Rubino



91 7199 9991 7032 7416 9793

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

CERTIFIED MAIL



August 22, 2018

Cedar Creek Grazing Association
PO Box 927
Glendive, MT 59330-0927



91 7199 9991 7032 7416 9793

RE: Gas City Field
Gas City 41-28
Section 28, T14N-R55E
Dawson County, MT

Dear Surface Land Owner,

Within the Gas City Field, Denbury Onshore, LLC plans to convert the Gas City 41-28 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 October 4, 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 9540

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

CERTIFIED MAIL



August 22, 2018

Kenneth M. & Lillian M. Nemitz
422 Snyder Ave.
Glendive, MT 59330-2125

RE: Gas City Field
Gas City 41-28
Section 28, T14N-R55E
Dawson County, MT



Dear Surface Land Owner,

Within the Gas City Field, Denbury Onshore, LLC plans to convert the Gas City 41-28 to a Salt Water Disposal well.

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Sincerely,

A handwritten signature in blue ink, appearing to read "Naomi Johnson". The signature is fluid and cursive.

Naomi Johnson
Regulatory Compliance Specialist
Denbury Onshore, LLC

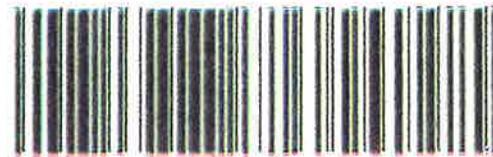
91 7199 9991 7032 7416 9526

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

CERTIFIED MAIL



August 22, 2018



91 7199 9991 7032 7416 9526

BLM
111 Gary Owen Rd.
Miles City, MT 59301-0940

RE: Gas City Field
Gas City 41-28
Section 28, T14N-R55E
Dawson County, MT

Dear Surface Land Owner,

Within the Gas City Field, Denbury Onshore, LLC plans to convert the Gas City 41-28 to a Salt Water Disposal well.

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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 9533

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

CERTIFIED MAIL



August 22, 2018

Arlene G. Crisafulli
421 Patt Ave.
Glendive, MT 59330-1402



91 7199 9991 7032 7416 9533

RE: Gas City Field
Gas City 41-28
Section 28, T14N-R55E
Dawson County, MT

Dear Surface Land Owner,

Within the Gas City Field, Denbury Onshore, LLC plans to convert the Gas City 41-28 to a Salt Water Disposal well.

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Sincerely,

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Naomi Johnson
Regulatory Compliance Specialist
Denbury Onshore, LLC

MONTANA SAGE GROUSE HABITAT CONSERVATION PROGRAM



STEVE BULLOCK, GOVERNOR

1539 ELEVENTH AVENUE

STATE OF MONTANA

PHONE: (406) 444-0554
FAX: (406) 444-6721

PO BOX 201601
HELENA, MONTANA 59620-1601

Project No. 3169
Governor's Executive Orders 12-2015 and 21-2015
Gas City 41-28 - Convert to SWD (API# 25-021-21194)

Naomi Johnson
Denbury Resources, Inc.
5320 Legacy Dr.
Plano, TX 75024

August 22, 2018

Dear Ms. Johnson,

The Montana Sage Grouse Habitat Conservation Program received a request for consultation and review of your project or proposed activity on August 21, 2018. Based on the information provided, all or a portion of this project is located within General Habitat for sage grouse. The Bureau of Land Management (BLM) classifies this area as a General Habitat Management Area (GHMA).

Executive Orders 12-2015 and 21-2015 set forth Montana's Sage Grouse Conservation Strategy. Montana's goal is to maintain viable sage grouse populations and conserve habitat so that Montana maintains flexibility to manage our own lands, our wildlife, and our economy and a listing under the federal Endangered Species Act is not warranted in the future.

The Program has completed its review, including:

Project Description:

Project Type: Energy -- Oil/Gas

Project Disturbance: 0.29 Acres/No New Disturbance

Construction Dates: September 2018 to September 2018, Temporary (< 1 Year)

Disturbance Dates: September 2018 to September 2018, Temporary (< 1 Year)

Project Location:

Legal: Township 14 North, Range 55 East, Section 28

County: Dawson

Ownership: Private



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Executive Orders 12-2015 and 21-2015 Consistency:

The project proposes to convert an existing well in designated General Habitat for sage-grouse.

The purpose of this project is to convert an existing well to salt water disposal - API# 25-021-21194. A workover rig will be used to perform well work on an existing well with an existing wellsite.

There will be no ground disturbance.

The well work should take a couple of weeks to complete during September 2018.

Based on the information you provided, your project is not within two miles of an active sage grouse lek.

Recommendations:

The following stipulation is designed to maintain existing levels of suitable sage grouse habitat by managing uses and activities in sage grouse habitat to ensure the maintenance of sage grouse abundance and distribution in Montana. Development should be designed and managed to maintain populations and sage grouse habitats.

- Weed management is required within General Habitat for sage grouse. Reclamation of disturbed areas must include control of noxious weeds and invasive plant species, including cheatgrass (*Bromus tectorum*) and Japanese brome (*Bromus japonicas*).

Subject to any stipulations identified in this letter, your activities are consistent with the Montana Sage Grouse Conservation Strategy. Your proposed project or activity may need to obtain additional permits or authorization from other Montana state agencies or possibly federal agencies. They are very likely to request a copy of this consultation letter, so please retain it for your records.

Please be aware that if the location or boundaries of your proposed project or activity change in the future, or if new activities are proposed within one of the designated sage grouse habitat areas, please visit <https://sagegrouse.mt.gov/projects/> and submit the new information.

Thanks for your interest in sage grouse and your commitment to taking the steps necessary to ensure Montana's Sage Grouse Conservation Strategy is successful.

Sincerely,



Carolyn Sime

Montana Sage Grouse Habitat Conservation Program Manager



cc: Jim Halvorson
Administrator Montana Board of Oil and Gas
2535 St. Johns Ave.
Billings, MT 59102



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