

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS II LLC FOR AN ORDER CREATING A PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 5 AND 8, TOWNSHIP 28 NORTH, RANGE 59 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 572018

APPLICATION

KRAKEN OIL & GAS II LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its Katie Rose 5-8 #1H well has been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.

2. The Katie Rose 5-8 #1H well is completed in a reservoir containing common accumulations of oil and associated natural gas in the Bakken/Three Forks formation. To efficiently and economically develop the reservoir, and to protect the correlative rights of all owners, All of Sections 5 and 8, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana, should be designated a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order delineating All of Sections 5 and 8, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana, as a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS II LLC

By _____

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS II LLC FOR AN ORDER POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 5 AND 8, TOWNSHIP 28 NORTH, RANGE 59 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 58-298

APPLICATION

KRAKEN OIL & GAS II LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its Katie Rose 5-8 #1H well been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.

2. It is anticipated that the captioned lands will comprise a permanent spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. ___-2018.

3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the Katie Rose 5-8 #1H well, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.

4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Sections 5 and 8, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana, for production of oil and associated natural gas from the Bakken/Three Forks formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Katie Rose 5-8 #1H well.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS II LLC

By _____

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS II LLC FOR AN ORDER CREATING A PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 4 AND 9, TOWNSHIP 28 NORTH, RANGE 59 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 59-2018

APPLICATION

KRAKEN OIL & GAS II LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its Danielle 4-9 #1H well has been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.

2. The Danielle 4-9 #1H well is completed in a reservoir containing common accumulations of oil and associated natural gas in the Bakken/Three Forks formation. To efficiently and economically develop the reservoir, and to protect the correlative rights of all owners, All of Sections 4 and 9, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana, should be designated a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order delineating All of Sections 4 and 9, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana, as a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS II LLC

By _____

John R. Lee, Its Attorney
CROWLEY FLECK PLLP
P.O. Box 2529
Billings, MT 59103-2529
Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS II LLC FOR AN ORDER POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 4 AND 9, TOWNSHIP 28 NORTH, RANGE 59 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 60-2018

APPLICATION

KRAKEN OIL & GAS II LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its Danielle 4-9 #1H well been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.
2. It is anticipated that the captioned lands will comprise a permanent spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. ___-2018.
3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the Danielle 4-9 #1H well, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.
4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Sections 4 and 9, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana, for production of oil and associated natural gas from the Bakken/Three Forks formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Danielle 4-9 #1H well.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS II LLC

By _____

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER CREATING A PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 6 AND 7, TOWNSHIP 25 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 61-2018

APPLICATION

KRAKEN OIL & GAS LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its RKT Carda 7-6 #1H well has been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.

2. The RKT Carda 7-6 #1H well is completed in a reservoir containing common accumulations of oil and associated natural gas in the Bakken/Three Forks formation. To efficiently and economically develop the reservoir, and to protect the correlative rights of all owners, All of Sections 6 and 7, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, should be designated a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and

2. After hearing the matter, the Board enter its order delineating All of Sections 6 and 7, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, as a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS LLC

By _____

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 6 AND 7, TOWNSHIP 25 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 67-2018

APPLICATION

KRAKEN OIL & GAS LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its RKT Carda 7-6 #1H well been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.
2. It is anticipated that the captioned lands will comprise a permanent spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. ___-2018.
3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the RKT Carda 7-6 #1H well, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.
4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Sections 6 and 7, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, for production of oil and associated natural gas from the Bakken/Three Forks formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the RKT Carda 7-6 #1H well.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS LLC

By _____

John R. Lee, Its Attorney
CROWLEY FLECK PLLP
P.O. Box 2529
Billings, MT 59103-2529
Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER CREATING A PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 17 AND 20, TOWNSHIP 25 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 63-2018

APPLICATION

KRAKEN OIL & GAS LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024;

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its Mayson Phoenix 17-20 #1H well has been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.

2. The Mayson Phoenix 17-20 #1H well is completed in a reservoir containing common accumulations of oil and associated natural gas in the Bakken/Three Forks formation. To efficiently and economically develop the reservoir, and to protect the correlative rights of all owners, All of Sections 17 and 20, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, should be designated a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order delineating All of Sections 17 and 20, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, as a permanent spacing unit for the production of oil and associated natural gas from the Bakken/Three Forks formation.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS LLC

By _____

John R. Lee, Its Attorney
CROWLEY FLECK PLLP
P.O. Box 2529
Billings, MT 59103-2529
Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 17 AND 20, TOWNSHIP 25 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 64-2018

APPLICATION

KRAKEN OIL & GAS LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024;

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its Mayson Phoenix 17-20 #1H well been successfully completed as a commercial producer of oil and associated natural gas from the Bakken/Three Forks formation thereunder.
2. It is anticipated that the captioned lands will comprise a permanent spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. __-2018.
3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the Mayson Phoenix 17-20 #1H well, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.
4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Sections 17 and 20, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, for production of oil and associated natural gas from the Bakken/Three Forks formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Mayson Phoenix 17-20 #1H well.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS LLC


By _____
John R. Lee, Its Attorney
CROWLEY FLECK PLLP
P.O. Box 2529
Billings, MT 59103-2529
Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER AUTHORIZING THE DRILLING OF UP TO FOUR ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 4 AND 9, TOWNSHIP 25 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, AT ANY LOCATIONS NOT CLOSER THAN 200' (HEEL/TOE SETBACK)/500' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 65-2018

APPLICATION

KRAKEN OIL & GAS LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

[A] Presents the following application:

1. Applicant is an interest owner and operator within All of Sections 4 and 9, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, which tracts comprise a Permanent Spacing Unit ("PSU") for Bakken/Three Forks formation production pursuant to MBOGC Order No. 32-2018.
2. Applicant requests authority to drill up to four additional horizontal Bakken/Three Forks formation wells within said PSU, at any locations not closer than 200' (heel/toe setback)/500' (lateral setback) to the exterior boundaries thereof, if in its judgment as operator of the PSU such operations appear reasonable and prudent.

[B] Requests:

1. This matter be set for hearing and placed on the Default Docket, with notice given as required by law and the MOU;
2. After hearing the matter, the Board enter its order authorizing the Applicant to drill up to four additional horizontal Bakken/Three Forks formation wells at any location within, but not closer than 200' (heel/toe setback)/500' (lateral setback) to the exterior boundaries of, the PSU comprised of All of Sections 4 and 9, Township 25 North, Range 59 East, M.P.M., Richland County, Montana.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS LLC

By _____

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER AUTHORIZING THE DRILLING OF UP TO FOUR ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 5 AND 8, TOWNSHIP 25 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, AT ANY LOCATIONS NOT CLOSER THAN 200' (HEEL/TOE SETBACK)/500' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 66-2018

APPLICATION

KRAKEN OIL & GAS LLC, 9821 Katy Freeway, Suite 460, Houston, Texas 77024:

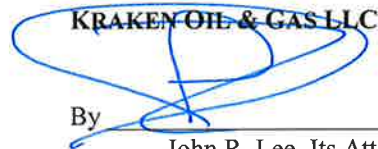
[A] Presents the following application:

1. Applicant is an interest owner and operator within All of Sections 5 and 8, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, which tracts comprise a Permanent Spacing Unit ("PSU") for Bakken/Three Forks formation production pursuant to MBOGC Order No. 34-2018.
2. Applicant requests authority to drill up to four additional horizontal Bakken/Three Forks formation wells within said PSU, at any locations not closer than 200' (heel/toe setback)/500' (lateral setback) to the exterior boundaries thereof, if in its judgment as operator of the PSU such operations appear reasonable and prudent.

[B] Requests:

1. This matter be set for hearing and placed on the Default Docket, with notice given as required by law and the MOU;
2. After hearing the matter, the Board enter its order authorizing the Applicant to drill up to four additional horizontal Bakken/Three Forks formation wells at any location within, but not closer than 200' (heel/toe setback)/500' (lateral setback) to the exterior boundaries of, the PSU comprised of All of Sections 5 and 8, Township 25 North, Range 59 East, M.P.M., Richland County, Montana.

DATED this 13th day of August, 2018.

KRAKEN OIL & GAS LLC


By _____

John R. Lee, Its Attorney
CROWLEY FLECK PLLP
P.O. Box 2529
Billings, MT 59103-2529
Email: jlee@crowleyfleck.com

RECEIVED

AUG 21 2018

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

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

**IN THE MATTER OF THE
APPLICATION OF BEHM ENERGY,
INC. FOR AN ORDER DESIGNATING
AND DELINEATING THE SW¼SW¼ OF
SECTION 26, TOWNSHIP 35 NORTH,
RANGE 20 EAST, BLAINE COUNTY, AS
THE PERMANENT SPACING UNIT FOR
APPLICANT'S FEDERAL 1-26-35-20
SAWTOOTH FORMATION OIL WELL.**

APPLICATION
DOCKET NO. 67 - 2018

Behm Energy, Inc. ("Applicant"), P.O. Box 608, Minot, North Dakota 58702-0608, presents the following Application:

1. Applicant is the owner of an oil and gas leasehold interest in, to and under the following lands:

Township 35 North, Range 20 East, MPM
Section 26: SW¼SW¼
Containing 40.00 acres, more or less
Blaine County, Montana
2. Applicant has drilled and completed its Federal 1-26-35-20 well within and upon the SW¼SW¼ of Section 26 as a commercial producer of oil in and from the Sawtooth Formation.
3. The above lands are not within the boundaries of an existing oil or gas field or subject to special drilling and production rules and therefore are presently subject to Board Rule 36.22.702(1, 2 & 7), referred to as the "state-wide rule", which provides for temporary spacing units for drilling and production operations.
4. The above well has been drilled and completed to a depth above six thousand feet (6,000') and under the state-wide rule the temporary spacing unit therefore is the SW¼SW¼ of Section 26.
5. Applicant believes the appropriate permanent spacing unit for the production of Sawtooth Formation oil from its Federal 1-26-35-20 well is the SW¼SW¼ of Section 26, the same as under the state-wide rule.

RECEIVED

AUG 27 2018

6. Applicant requests an Order from this Board designating and delineating the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26 as the permanent spacing unit for Applicant's Federal 1-26-35-20 well and Sawtooth Formation oil produced therefrom.
7. The United States of America owns and possesses one hundred percent (100%) of the oil and gas mineral estate underlying the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26, which mineral estate is subject to Federal Oil and Gas Lease MTM-09718.
8. Applicant believes that approval and granting of the request herein will be in the best interests of prevention of waste of oil and the conservation thereof and will not adversely affect the correlative rights of any party.

WHEREFORE, Applicant requests the following:

1. This matter be set for hearing by this Board and notice thereof be given as required by law;
2. After hearing this matter this Board enter its Order granting and approving the request of Applicant hereof; and
3. For such other or additional relief as this Board may deem appropriate.

Dated August 23, 2018.

LEE LAW OFFICE PC

By: 

Don R. Lee, Attorney for Applicant
Lee Law Office PC
158 Main Street – P.O. Box 790
Shelby, MT 59474
Telephone: (406) 434-5244
Facsimile: (406) 434-5246
Email: don.leelaw@gmail.com

RECEIVED

AUG 27 2018

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

<p>IN THE MATTER OF THE APPLICATION OF BEHM ENERGY, INC. FOR AN ORDER POOLING ALL INTERESTS IN THE SPACING UNIT CONSISTING OF THE SW¼SW¼ OF SECTION 26, TOWNSHIP 35 NORTH, RANGE 20 EAST, BLAINE COUNTY, AND IMPOSING THE NON- JOINER PENALTIES AUTHORIZED PURSUANT TO SECTION 82-11-202(2), MCA.</p>	<p align="center">APPLICATION DOCKET NO. <u>63</u> - 2018</p>
--	--

Behm Energy, Inc. (“Applicant”), P.O. Box 608, Minot, North Dakota 58702-0608, presents the following Application:

1. Applicant is the owner of an oil and gas leasehold interest in, to and under the following lands:

Township 35 North, Range 20 East, MPM
Section 26: SW¼SW¼
Containing 40.00 acres, more or less
Blaine County, Montana

2. Applicant is the Operator of the Federal 1-26-35-20 Sawtooth Formation oil well located within and upon the SW¼SW¼ of Section 26.
3. The above well produces from the Sawtooth Formation at a depth above six thousand feet (6,000’) and the spacing unit therefore is the SW¼SW¼ of Section 26.
4. The SW¼SW¼ of Section 26 is covered by and subject to one (1) Oil and Gas Lease, that being Federal Lease MTM-09718, with Behm Energy, Inc. and Textana, Inc. holding undivided working interests in and to said Lease as follows:

Behm Energy, Inc.	81.250000%
Textana, Inc.	18.750000%
	<hr/>
Total	100.000000%

5. Section 82-11-202(1)(a), MCA, provides “. . . when there are separately owned interests in all or a part of the spacing unit, then the persons owning those interests may pool their interests for the development and operation of the spacing unit.”

RECEIVED

AUG 27 2018

6. Applicant has been unable to establish voluntary pooling of the Behm Energy, Inc. and Textana, Inc. working interests within the above spacing unit and it is anticipated that such pooling cannot be consummated prior to the hearing of this Application.
7. In the absence of voluntary pooling of the undivided working interests set forth above, Applicant requests an Order from this Board pooling such interests in the permanent spacing unit for the production of Sawtooth Formation oil from the above well and the imposition of non-joinder penalties authorized pursuant to Section 82-11-202(2), MCA.
8. The United States of America owns and possesses one hundred percent (100%) of the oil and gas mineral estate underlying the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26, subject to Federal Oil and Gas Lease MTM-09718 held by Behm Energy, Inc. and Textana, Inc. insofar as the Sawtooth Formation is concerned.
9. Applicant believes that approval and granting of the requests herein will be in the best interests of prevention of waste of oil and the conservation thereof and will not adversely affect the correlative rights of any party.

WHEREFORE, Applicant requests the following:

1. This matter be set for hearing by this Board and notice thereof be given as required by law;
2. After hearing this matter this Board enter its Order granting and approving the requests of Applicant hereof; and
3. For such other or additional relief as this Board may deem appropriate.

Dated August 23, 2018.

LEE LAW OFFICE PC

By: 

Don R. Lee, Attorney for Applicant
Lee Law Office PC
158 Main Street – P.O. Box 790
Shelby, MT 59474
Telephone: (406) 434-5244
Facsimile: (406) 434-5246
Email: don.leelaw@gmail.com

RECEIVED

AUG 27 2018

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

IN THE MATTER OF THE APPLICATION OF ALTA VISTA OIL CORPORATION FOR AN ORDER CREATING A PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTION 28, TOWNSHIP 9 SOUTH, RANGE 41 EAST, M.P.M., BIG HORN COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE MOWRY FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 69-2018

APPLICATION

ALTA VISTA OIL CORPORATION, 17802 IH-10 West, Suite 300, San Antonio, Texas 78257:

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its Slaughterville #1H well has been successfully completed as a commercial producer of oil and associated natural gas from the Mowry formation thereunder.

2. The Slaughterville #1H well is completed in a reservoir containing common accumulations of oil and associated natural gas in the Mowry formation. To efficiently and economically develop the reservoir, and to protect the correlative rights of all owners, All of Section 28, Township 9 South, Range 41 East, M.P.M., Big Horn County, Montana, should be designated a permanent spacing unit for the production of oil and associated natural gas from the Mowry formation.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and

2. After hearing the matter, the Board enter its order delineating All of Section 28, Township 9 South, Range 41 East, M.P.M., Big Horn County, Montana, as a permanent spacing unit for the production of oil and associated natural gas from the Mowry formation.

DATED this 24th day of August, 2018.

ALTA VISTA OIL CORPORATION

By _____

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

RECEIVED

AUG 28 2018

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

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

IN THE MATTER OF THE APPLICATION OF ALTA VISTA OIL CORPORATION FOR AN ORDER POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTION 28, TOWNSHIP 9 SOUTH, RANGE 41 EAST, M.P.M., BIG HORN COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE MOWRY FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 70-2018

APPLICATION

ALTA VISTA OIL CORPORATION, 17802 1H-10 West, Suite 300, San Antonio, Texas 78257:

[A] Presents the following application:

1. Applicant is an interest owner and operator within the above-described tract, and its Slaughterville #1H well been successfully completed as a commercial producer of oil and associated natural gas from the Mowry formation thereunder.
2. It is anticipated that the captioned lands will comprise a permanent spacing unit for purposes of Mowry formation production pursuant to Montana Board of Oil and Gas Conservation Order No. __-2018.
3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the Slaughterville #1H well, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.
4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Section 28, Township 9 South, Range 41 East, M.P.M., Big Horn County, Montana, for production of oil and associated natural gas from the Mowry formation. Applicant is not seeking recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Slaughterville #1H well.

DATED this 24th day of August, 2018.

ALTA VISTA OIL CORPORATION

By _____

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

RECEIVED

AUG 28 2018

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

<p>IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. FOR AN ORDER CREATING AN OVERLAPPING TEMPORARY SPACING UNIT CONSISTING OF SECTIONS 15, 22 AND 27, TOWNSHIP 26 NORTH, RANGE 54 EAST, RICHLAND COUNTY, AND AUTHORIZING THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200' TO THE NORTH/SOUTH BOUNDARIES AND 500' TO THE EAST/WEST BOUNDARIES OF THE REQUESTED TEMPORARY SPACING UNIT.</p>	<p style="text-align: center;">APPLICATION</p> <p style="text-align: center;">DOCKET NO. <u>71</u> - 2018</p>
--	--

Continental Resources, Inc. ("Applicant"), 20 N. Broadway, Oklahoma City, Oklahoma 73102, presents the following Application:

1. Applicant is the owner and operator of oil and gas leasehold interests in, to and under the following described lands in Richland County:

Township 26 North, Range 54 East, MPM

Section 15: All

Section 22: All

Section 27: All

Containing 1,920.00 acres, more or less

2. Board Order No. 428-2006 delineated Sections 15 and 22 described above as a permanent spacing unit for Applicant's Nola 1-22H Bakken Formation well.

Board Order No. 289-2008 delineated Section 27 described above as a permanent spacing unit for Applicant's Martin 1-27H Bakken Formation well.

3. Applicant desires to drill a horizontal Bakken/Three Forks Formation well within and upon Sections 15, 22 and 27 described above and in order to more efficiently and economically recover oil and associated natural gas therefrom believes the temporary spacing unit therefore should consist of Sections 15, 22 and 27.

4. Applicant believes the requested two hundred foot (200') and five hundred foot (500') setbacks from the spacing unit boundaries are necessary in order to adequately and efficiently increase the ultimate recovery of Bakken/Three Forks Formation oil and associated natural gas from the requested temporary spacing unit.
5. In the event Applicant's single lateral Bakken/Three Forks Formation well referred to above is authorized by this Board and thereafter drilled and completed as a well capable of commercial production of Bakken/Three Forks Formation oil and associated natural gas, within ninety (90) days of such completion Applicant will file an appropriate Application with the Board requesting a permanent spacing unit for said well and Bakken/Three Formation oil and associated natural gas produced therefrom.
6. Applicant believes the granting of the request herein will serve to protect the correlative rights of all interested parties and will be in the best interests of prevention of waste and conservation of Bakken/Three Forks Formation oil and natural gas produced in association therewith.

WHEREFORE, Applicant requests the following:

1. This matter be set for hearing by this Board and notice thereof be given as required by law;
2. After hearing this matter this Board enter its Order designating Sections 15, 22 and 27 the subject hereof as an overlapping temporary spacing unit and authorizing Applicant to drill, complete and produce Bakken/Three Forks Formation oil and associated natural gas therefrom; and
3. For such other or additional relief as this Board may deem appropriate.

Dated August 30, 2018.

RECEIVED

AUG 30 2018

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

LEE LAW OFFICE PC

By: 

Don R. Lee, Attorney for Applicant
Lee Law Office PC
158 Main Street – P.O. Box 790
Shelby, MT 59474
Telephone: (406) 434-5244
Facsimile: (406) 434-5246
Email: don.leelaw@gmail.com

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

<p>IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. FOR AN ORDER CREATING AN OVERLAPPING TEMPORARY SPACING UNIT CONSISTING OF SECTIONS 14, 23 AND 26, TOWNSHIP 26 NORTH, RANGE 54 EAST, RICHLAND COUNTY, AND AUTHORIZING THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200' TO THE NORTH/SOUTH BOUNDARIES AND 500' TO THE EAST/WEST BOUNDARIES OF THE REQUESTED TEMPORARY SPACING UNIT.</p>	<p>APPLICATION</p> <p>DOCKET NO. <u>7Z</u> - 2018</p>
--	---

Continental Resources, Inc. ("Applicant"), 20 N. Broadway, Oklahoma City, Oklahoma 73102, presents the following Application:

1. Applicant is the owner and operator of oil and gas leasehold interests in, to and under the following described lands in Richland County:

Township 26 North, Range 54 East, MPM

Section 14: All

Section 23: All

Section 26: All

Containing 1,920.00 acres, more or less

RECEIVED

AUG 30 2018

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

2. Board Order No. 120-2012 delineated Sections 14 and 23 described above as a permanent spacing unit for Applicant's Harold 1-14H Bakken Formation well.

Board Order No. 160-2008 delineated Section 26 described above as a permanent spacing unit for Applicant's Newhouse 1-26H Bakken Formation well.

3. Applicant desires to drill a horizontal Bakken/Three Forks Formation well within and upon Sections 14, 23 and 26 described above and in order to more efficiently and economically recover oil and associated natural gas therefrom believes the temporary spacing unit therefore should consist of Sections 14, 23 and 26.

4. Applicant believes the requested two hundred foot (200') and five hundred foot (500') setbacks from the spacing unit boundaries are necessary in order to adequately and efficiently increase the ultimate recovery of Bakken/Three Forks Formation oil and associated natural gas from the requested temporary spacing unit.
5. In the event Applicant's single lateral Bakken/Three Forks Formation well referred to above is authorized by this Board and thereafter drilled and completed as a well capable of commercial production of Bakken/Three Forks Formation oil and associated natural gas, within ninety (90) days of such completion Applicant will file an appropriate Application with the Board requesting a permanent spacing unit for said well and Bakken/Three Formation oil and associated natural gas produced therefrom.
6. Applicant believes the granting of the request herein will serve to protect the correlative rights of all interested parties and will be in the best interests of prevention of waste and conservation of Bakken/Three Forks Formation oil and natural gas produced in association therewith.

WHEREFORE, Applicant requests the following:

1. This matter be set for hearing by this Board and notice thereof be given as required by law;
2. After hearing this matter this Board enter its Order designating Sections 14, 23 and 26 the subject hereof as an overlapping temporary spacing unit and authorizing Applicant to drill, complete and produce Bakken/Three Forks Formation oil and associated natural gas therefrom; and
3. For such other or additional relief as this Board may deem appropriate.

Dated August 30, 2018.

RECEIVED
AUG 30 2018
**MONTANA BOARD OF OIL &
GAS CONSERVATION • BILLINGS**

LEE LAW OFFICE PC

By: 

Don R. Lee, Attorney for Applicant
Lee Law Office PC
158 Main Street – P.O. Box 790
Shelby, MT 59474
Telephone: (406) 434-5244
Facsimile: (406) 434-5246
Email: don.leelaw@gmail.com

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

IN THE MATTER OF THE APPLICATION OF DENBURY ONSHORE LLC FOR AN ORDER CREATING AN ENHANCED RECOVERY UNIT FOR OIL AND GAS WITHIN THE RED RIVER FORMATION UNDERLYING CERTAIN LANDS IN FALLON COUNTY, MONTANA, COMPRISED OF 8,158.38 ACRES TO BE KNOWN AS THE "MYSTERY CREEK (RED RIVER) UNIT AREA"; APPROVING A PLAN OF OPERATIONS CONSISTING OF A UNIT AGREEMENT AND A UNIT OPERATING AGREEMENT; VACATING ALL EXISTING SPACING ORDERS RELATED THERETO AS TO THE UNIT AREA AND UNITIZED FORMATION, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

DOCKET 73-2018

APPLICATION

DENBURY ONSHORE LLC, 5320 Legacy Drive, Plano, Texas 75024, presents the following application:

1. Applicant is the operator of the following lands ("unit lands") located in Fallon County, Montana:

Twp. 9 North, Rge. 58 East, MPM

Section 2: Lots 1, 2, 3, 4, S/2N/2, S/2 (All)

Section 10: S/2

Section 11: All

Section 12: W/2W/2

Section 13: W/2W/2

Section 14: All

Section 15: E/2

Section 22: NE/4

Section 23: All

Section 24: All

Section 25: All

Section 26: All

Section 35: All

Section 36: All

Twp. 9 North, Rge. 59 East, MPM

Section 30: Lots 1, 2, 3, 4, E/2W/2, E/2 (All)

Section 31: All

containing 8,158.28 acres, more or less.

2. Applicant owns leasehold interests underlying more than 60% of the surface of the unit lands.
3. Applicant has formulated a plan of unit operations concerning the unit lands for the enhanced recovery of oil and gas from the Red River formation thereunder.
4. Applicant represents that the proposed unit operation is necessary to increase ultimate recovery of oil; that the value of the estimated additional oil recovery less royalties will exceed the estimated additional cost incident to such operation; and that the full areal extent of the Red River formation within the proposed unit area has been reasonably defined and determined by drilling operations.
5. Applicant requests this matter be set for hearing; notice be given as required by law; and after hearing the matter, the Board enter its order; (a) providing for the unit operation of the lands and Red River formation thereunder as described above; (b) approving the Mystery Creek Unit Agreement and Mystery Creek Unit

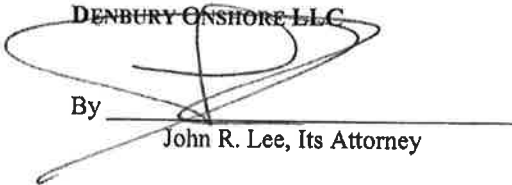
RECEIVED

AUG 30 2018

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

Operating Agreement as constituting a plan of unit operations that is just and reasonable; (c) vacating all existing spacing orders and well setback requirements as to the unit area and unitized formation (except that no well shall be located closer than 660' feet to the unit boundaries); and (d) declaring that the order will become effective within the terms of M.C.A. § 82-11-207 upon Applicant presenting evidence of requisite approval by the cost-bearing and cost-free owners of interests therein.

DATED this 29th day of August, 2018.

DENBURY ONSHORE LLC
By 
John R. Lee, Its Attorney

CROWLEY FLECK PLLP
P.O. Box 2529
Billings, MT 59103-2529
Email: jlee@crowleyfleck.com

RECEIVED

AUG 30 2018

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

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

IN THE MATTER OF THE APPLICATION OF DENBURY ONSHORE LLC FOR AN ORDER CREATING A TEMPORARY SPACING UNIT ("TSU") COMPRISED OF THE SW/4SW/4 OF SECTION 5, THE SE/4 OF SECTION 6, THE NE/4, N/2SE/4, SE/4SE/4 OF SECTION 7, THE W/2, W/2SE/4, SE/4SE/4 OF SECTION 8, AND THE N/2 OF SECTION 17, TOWNSHIP 10 NORTH, RANGE 58 EAST, M.P.M., FALLON COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF A HORIZONTAL MADISON GROUP WELL THEREON AT ANY LOCATION NOT CLOSER THAN 660' TO THE BOUNDARIES OF SAID TSU, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 74-2018

APPLICATION

RECEIVED

AUG 30 2018

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

DENBURY ONSHORE LLC, 5320 Legacy Drive, Plano, Texas 75024:

[A] Presents the following application:

1. Applicant is an interest owner and operator of the captioned lands, which lie within the Cabin Creek Unit located in Fallon County, Montana.
2. Applicant desires to drill a horizontal Madison Group well within the Cabin Creek Unit; however, the optimum wellbore geometry will require the well to be completed at locations not in compliance with the setback requirements for such wells under A.R.M. 36.22.703. Consequently, Applicant requests that the MBOGC create a TSU comprised of the SW/4SW/4 of Section 5, the SE/4 of Section 6, the NE/4, N/2SE/4, SE/4SE/4 of Section 7, the W/2, W/2SE/4, SE/4SE/4 of Section 8, and the N/2 of Section 17, Township 10 North, Range 58 East, M.P.M., and authorize the drilling of a horizontal Madison Group well thereon at any location not closer than 660' to the TSU boundaries.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the MBOGC enter its order (i) creating a TSU comprised of the SW/4SW/4 of Section 5, the SE/4 of Section 6, the NE/4, N/2SE/4, SE/4SE/4 of Section 7, the W/2, W/2SE/4, SE/4SE/4 of Section 8, and the N/2 of Section 17, Township 10 North, Range 58 East, M.P.M., and (ii) authorizing the drilling of a horizontal Madison Group well thereon at any location not closer than 660' to the TSU boundaries, and such other and further relief as the MBOGC may deem appropriate.

DATED this 29th day of August, 2018.


DENBURY ONSHORE LLC

By

John R. Lee, Its Attorney

CROWLEY FLECK PLLP
P.O. Box 2529
Billings, MT 59103-2529
Email: jlee@crowleyfleck.com

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

IN THE MATTER OF THE APPLICATION OF DENBURY ONSHORE LLC FOR AN ORDER VACATING ALL WELL SPACING AND SETBACK REQUIREMENTS AS TO THE MISSION CANYON (MISSISSIPPIAN AGE) FORMATION FOR LANDS LOCATED WITHIN APPLICANT'S PENNEL UNIT AREA [MBOGC ORDER NO. 24-68] COMPRISED OF 29,527.49 ACRES, MORE OR LESS, SITUATED IN FALLON COUNTY, MONTANA, WITH THE EXCEPTION OF A 660' SETBACK FROM THE UNIT BOUNDARIES, AS AN EXCEPTION TO A.R.M. 36.22.703 AND ANY APPLICABLE FIELD RULES, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 75-2018

APPLICATION

RECEIVED

AUG 30 2018

MONTANA BOARD OF OIL &
GAS CONSERVATION • BILLINGS

DENBURY ONSHORE LLC, 5320 Legacy Drive, Plano, Texas 75024:

[A] Presents the following application:

1. Applicant is the owner of certain leasehold and contractual interests in the following lands located in Fallon County, Montana, which lands comprise Applicant's Pennel Unit Area (the "Pennel Unit"), to wit:

Township 7 North, Range 59 East, M.P.M.

Section 1: Lot 1, 2, 3, 4, S/2N/2, S/2 (All)

Section 2: Lots 1, 2, SE/4NE/4

Section 12: NE/4, SE/4, E/2NW/4

Township 8 North, Range 59 East, M.P.M.

Section 1: W/2SW/4, SE/4SW/4

Section 2: S/2

Section 3: Lot 4, S/2, SW/4NW/4

Section 4: S/2, S/2NE/4, S/2NW/4, Lots 1, 2, 3, 4

Section 5: Lots 1, 2, 3, S/2NE/4, E/2SE/4

Section 9: N/2, SE/4, E/2SW/4

Section 10: All

Section 11: All

Section 12: All

Section 13: All

Section 14: All

Section 15: All

Section 16: NE/4, NE/4SE/4

Section 22: E/2NW/4, NE/4, E/2SE/4, NW/4NW/4, NW/4SE/4

Section 23: All

Section 24: All

Section 25: All

Section 26: N/2, SE/4, E/2SW/4, NW/4SW/4

Section 27: NE/4NE/4

Section 35: N/2NE/4, SE/4NE/4

Section 36: N/2, SE/4, N/2SW/4, SE/4SW/4

Township 7 North, Range 60 East, M.P.M.

Section 4: Lots 3, 4, SW/4
Section 5: Lots 1, 2, 3, 4, S/2
Section 6: Lots 1, 2, 3, 4, 5, 6, E/2SW/4, SE/4 (All)
Section 7: Lots 1, 2, 3, 4, E/2W/2, E/2 (All)
Section 8: All
Section 9: W/2, W/2NE/4, S/2SE/4
Section 15: W/2NE/4, W/2, SE/4
Section 16: All
Section 17: All
Section 18: Lots 1, 2, 3, 4, E/2W/2, E/2
Section 19: Lots 1, 2, 3, E/2W/2, E/2
Section 20: All
Section 21: All
Section 22: All
Section 23: W/2NW/4
Section 26: All
Section 27: All
Section 28: All
Section 29: All
Section 30: NE/4NW/4, NW/4SE/4, E/2SE/4, NE/4

RECEIVED

AUG 30 2018

MONTANA BOARD OF OIL &
GAS CONSERVATION • BILLINGS

Township 8 North, Range 60 East, M.P.M.

Section 7: Lots 1, 2, 3, 4, SE/4NW/4, E/2SW/4, W/2SE/4, SE/4SE/4
Section 17: W/2W/2, SE/4NW/4, E/2SW/4, W/2SE/4, SE/4SE/4
Section 18: Lots 1, 2, 3, 4, E/2W/2, E/2 (All)
Section 19: Lots 1, 2, 3, 4, E/2W/2, E/2 (All)
Section 21: W/2NW/4, SW/4
Section 20: All
Section 28: W/2
Section 29: All
Section 30: Lots 1, 2, 3, 4, E/2W/2, E/2 (All)
Section 31: Lots 1, 2, 3, 4, E/2W/2, E/2 (All)
Section 32: All
Section 33: All

containing 29,527.49 acres, more or less.

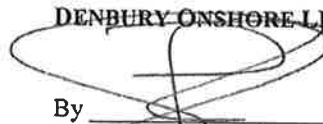
Applicant is the operator of the Pennel Unit. Pursuant to the Pennel Unit Agreement, all oil and gas in the Unitized Formations underlying the land subject to the agreement are considered Unitized Substances, with participation in the production thereof allocated to the various tracts comprising the Pennel Unit Area. The Unitized Formations are defined as "those formations extending from the top of the Mission Canyon (Mississippian Age) to the base of the U8-U9 (Ordovician Age) correlative to and as encountered between the depths of 7,093 feet and 8,900 feet in the Shell-Sodergren Well No. 44-26 located in the approximate center of the Southeast Quarter of the Southeast Quarter (SE/4SE/4) of Section Twenty-six (26), Township Eight (8) North, Range Fifty-nine (59) East, Fallon County, Montana."

2. To allow for more efficient and economic exploration and production of oil and gas from the Mission Canyon (Mississippian Age) formation within the Pennel Unit Area, applicant requests that all well spacing and setback requirements as to the Mission Canyon (Mississippian Age) formation for lands located within the Pennel Unit Area be waived, with the exception of a requirement to maintain a minimum setback of 660' from the Pennel Unit boundary.

[B] **Requests:**

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the MBOGC enter its order that all well spacing and setback requirements as to the Mission Canyon (Mississippian Age) formation for lands located within the Pennel Unit Area be waived, with the exception of a requirement to maintain a minimum setback of 660' from the Pennel Unit boundary, and such other and further relief as the MBOGC deems appropriate.

DATED this 29th day of August, 2018.

DENBURY ONSHORE LLC

By _____
John R. Lee, Its Attorney

CROWLEY FLECK PLLP
P.O. Box 2529
Billings, MT 59103-2529
Email: jlee@crowleyfleck.com

RECEIVED

AUG 30 2018

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