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

IN THE MATTER OF SUMMIT GAS RESOURCES, INC. FAILURE TO PERFORM MECHANICAL INTEGRITY TESTS ON THE VISBORG 22-0841 11SA (API # 25-003-22690) AND THE DP 31-0842 05SA (API # 25-003-22725) WELLS.

ADMINISTRATIVE ORDER 6-A-2019

Summit Gas Resources, Inc. (Summit) is the operator of the following two salt water disposal wells in Big Horn County, Montana:

- Visborg 22-0841 11SA well, API # 25-003-22690, located in the NE¼SW¼ of Section 22, T8S-R41E
- DP 31-0842 05SA well, API # 25-003-22725, located in the SW1/4NW1/4 of Section 31, T8S-R42E

At the June 12, 2019, business meeting, staff reported that Summit is in violation of ARM 36.22.1416, which requires injection wells to be retested for mechanical integrity no less than once each five years until the well is plugged. The Mechanical Integrity Test (MIT) is performed to demonstrate mechanical integrity of the well. Wells that fail the MIT must be immediately shut-in until either repaired, reworked, or plugged for abandonment in accordance with ARM 36.22.1414. The wells must be successfully retested for mechanical integrity before being placed in injection service.

Staff made several attempts to contact the operator.

IT IS THEREFORE ORDERED by the Board that Summit must return these wells to compliance prior to the July 11, 2019, hearing application deadline. Failure to come into compliance will result in Summit being ordered to show cause at the August 15, 2019, public hearing, for why additional penalties should not be imposed.

IT IS FURTHER ORDERED that Board staff has authority to dismiss the docket if Summit achieves compliance prior to the August 15, 2019, public hearing.

Dated this 12 th day of June, 2019
Montana Board of Oil and Gas Conservation
James W. Halvorson, Administrator