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

IN RE THE APPLICATION OF DENBURY ONSHORE LLC FOR AN ORDER CREATING A PERMANENT SPACING UNIT COMPRISED OF W/2NE/4, E/2NW/4 OF SECTION 30, AND NW/4SW/4, S/2SW/4 OF SECTION 19, TOWNSHIP 4 NORTH, RANGE 62 EAST, M.P.M., AND NW/4NE/4, S/2NE/4, NE/4SE/4 OF SECTION 24, TOWNSHIP 4 NORTH, RANGE 61 EAST, M.P.M., FALLON COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE MISSION CANYON FORMATION/MADISON GROUP THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE.

MBOGC DOCKET NO	
APPLICATION	

DENBURY ONSHORE, LLC, 5320 LEGACY DRIVE, PLANO, TEXAS 75024:

[A] <u>Presents the following application:</u>

- 1. Applicant is an interest owner and operator within the above-described tract, and its Little Beaver East Unit MC22-30NH well has been successfully completed as a commercial producer of oil and associated natural gas from the Mission Canyon formation/Madison Group thereunder.
- 2. The Little Beaver East Unit MC22-30NH well is completed in a reservoir containing accumulations of oil and associated natural gas in the Mission Canyon formation//Madison Group. The Little Beaver East Unit MC22-30NH is located within the CCA Unit 8B and has been deemed a paying well by the Bureau of Land Management ("BLM"). As a result, BLM established a Madison Participating Area ("PA") comprised of the captioned lands. To efficiently and economically develop the reservoir, to protect the correlative rights of all owners, and to establish PSU boundaries that correspond with the federal PA, the W/2NE/4, E/2NW/4 of Section 30, and the NW/4SW/4, S/2SW/4 of Section 19, Township 4 North, Range 62 East, M.P.M., and the NW/4NE/4, S/2NE/4, NE/4SE/4 of Section 24, Township 4 North, Range 61 East, M.P.M., Fallon County, Montana, should be designated a permanent spacing unit for the production of oil and associated natural gas from the Mission Canyon formation/Madison Group.

[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 the W/2NE/4, E/2NW/4 of Section 30, and the NW/4SW/4, S/2SW/4 of Section 19, Township 4 North, Range 62 East, M.P.M., and the NW/4NE/4, S/2NE/4, NE/4SE/4 of Section 24, Township 4 North, Range 61 East, M.P.M., Fallon County, Montana, as a permanent spacing unit for the production of oil and associated natural gas from the Mission Canyon formation/Madison Group.

By

Dated this 18th day of March, 2020.

Denbury Onshore, LLC

Urian J. Price, Its Attorney

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