

**Denbury**   
Cedar Creek Anticline CO<sub>2</sub> EOR Update  
April 7, 2021

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# Denbury Overview



## ***A Unique Energy Business***

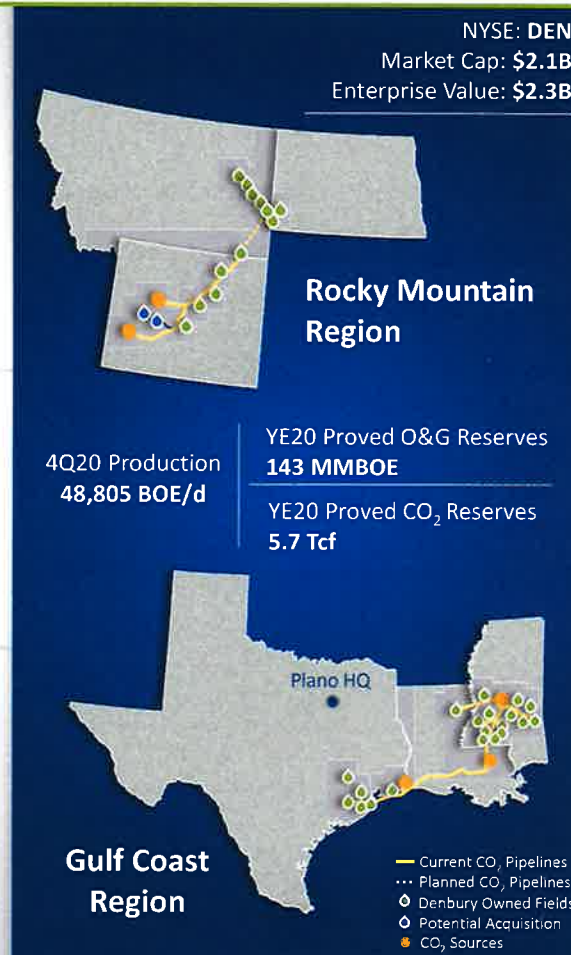
- CO<sub>2</sub> Enhanced Oil Recovery (EOR) is our primary focus
- Low base decline rate and low capital intensity
- CO<sub>2</sub> expertise and assets position Denbury to lead in Carbon Capture, Use and Storage (CCUS)

## ***Fundamentally Geared to Crude Oil***

- Industry-leading 97% oil production
- Superior crude quality (mid-30s API gravity, low sulfur)

## ***Industry Leader in Reducing CO<sub>2</sub> Emissions***

- Annually injecting ~3 million tons of industrial sourced CO<sub>2</sub> into our reservoirs
- Potential to reach full carbon neutrality this decade with CCUS, including downstream Scope 3 emissions



## ***Strategically Advantaged Operations***

- Vertically integrated CO<sub>2</sub> supply and distribution network with > 1,000 miles of CO<sub>2</sub> pipelines
- Cost structure largely independent from industry
- Asset base diversity mitigates single basin risk

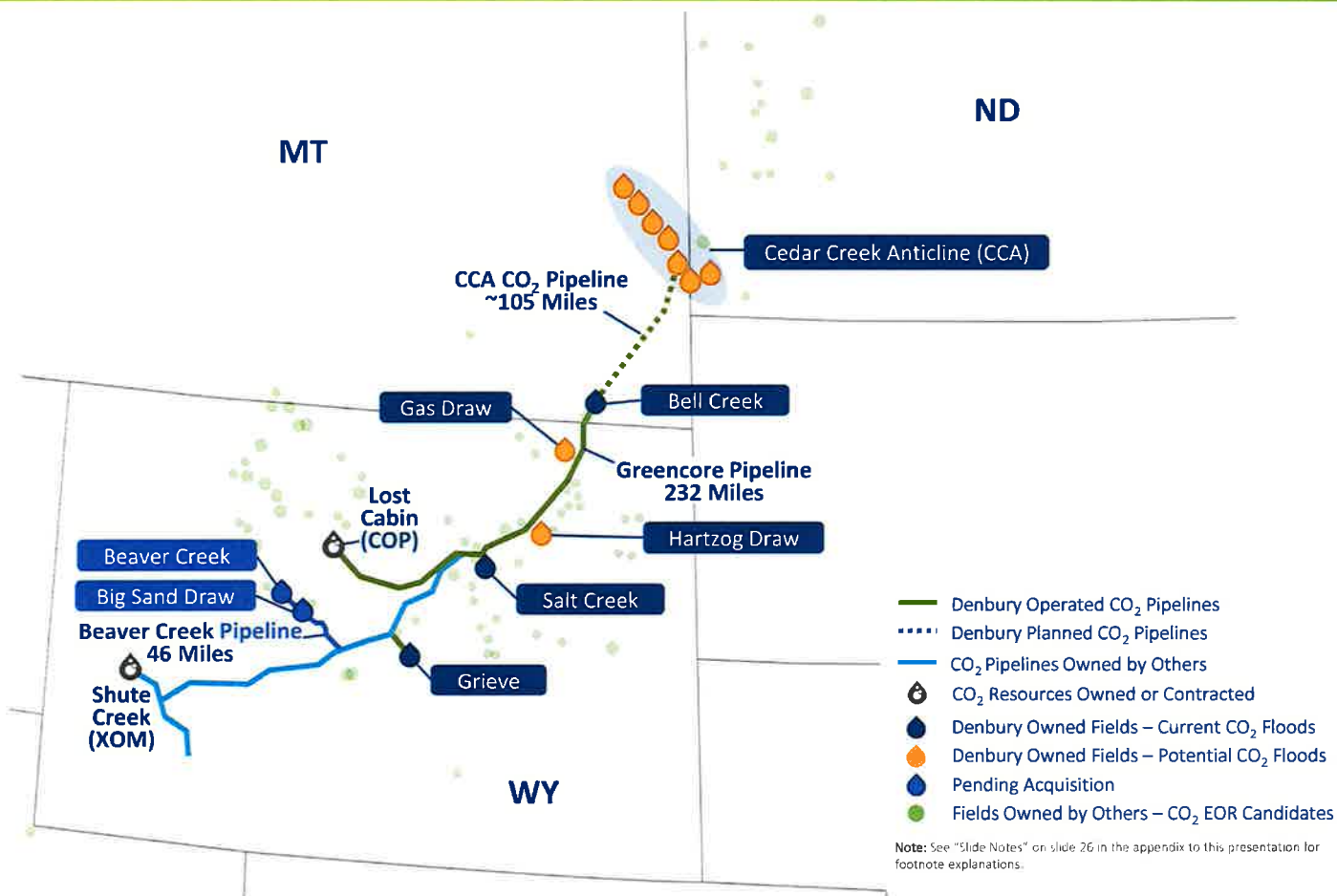
## ***Value Sustaining Organic Growth Upside***

- Over 1 billion BOE proved + EOR and exploitation potential
- Ability to generate significant free cash flow at a low \$40s oil price

## ***Positioned for the Future***

- Delevered balance sheet provides significant flexibility
- Strategic focus aligned with the Energy Transition

# Rocky Mountain Region



## YE20 Reserves Summary<sup>(1)</sup> (MMBOE)

Proved + Tertiary Potential	
Tertiary Reserves	
Proved	12
Potential	547
Non-Tertiary Reserves	
Proved	47
<b>Total MMBOE<sup>(2)</sup></b>	<b>606</b>

## Proved + Tertiary Potential by Field<sup>(3)</sup>

Bell Creek 🔵	30
Cedar Creek Anticline Area 🟠	400 – 500
Gas Draw 🟠	10
Grieve 🔵	4
Hartzog Draw 🟠	30 – 40
Salt Creek 🔵	25 – 35

# Strong Commitment to Montana



Total Capital Investment <sup>(1)</sup> since 2010 (Net to Denbury):	~\$3.1 Billion
Estimated Gross Annual Lease Operating Expenditures (2020)	~\$89 Million
Employment <sup>(2)</sup>	104 Employees
Gross Annual Payroll (2020)	> \$15 Million
Annual Average Salary & Benefits (2020)	~\$145 Thousand
Estimated Severance, Ad Valorem & Property Taxes (2020)	~\$23 Million
Annual Royalty Payments (2020)	> \$19 Million
Est. Gross Average Daily Oil Production (4Q20)	~15,000 BOE/d
Total CO <sub>2</sub> and Natural Gas Pipeline Miles (2020) <sup>(3)</sup>	~9 Miles
Future Planned CO <sub>2</sub> Pipeline	~105 Miles

1) Capital investment includes acreage, G&G, rentals, pipeline facilities, drilling, workovers, P&A, and capitalized interest for properties owned by Denbury as of December 31, 2020.

2) Employment number is representative of any individual employed by Denbury in the State of Montana during the 2020 calendar year.

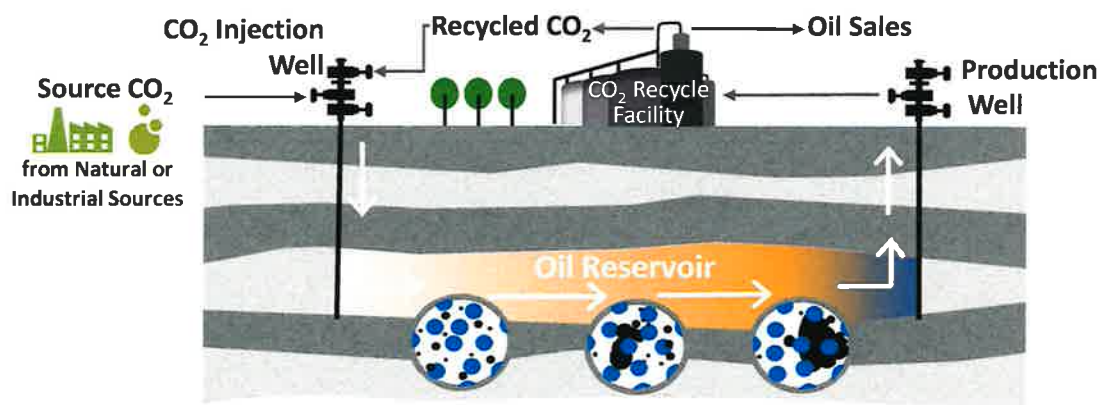
3) Pipeline miles does not include mileage from smaller gathering pipelines within Denbury Montana oil fields.

# The CO<sub>2</sub> EOR Process



CO<sub>2</sub> Enhanced Oil Recovery (EOR) can produce nearly as much oil from a reservoir as was produced in either primary or secondary recovery

## CO<sub>2</sub> EOR Process Overview



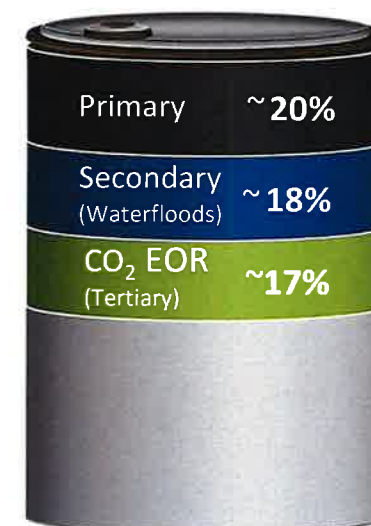
CO<sub>2</sub> is injected into the reservoir, moves through the reservoir, and combines with oil that it contacts

The CO<sub>2</sub>/oil combination then continues moving through the reservoir and into nearby production wells

Once on the surface, the oil and CO<sub>2</sub> are separated, the oil is processed for sale and the produced CO<sub>2</sub> is recycled into the reservoir along with supplemental source CO<sub>2</sub>

Nearly all of the source CO<sub>2</sub> volume associated with EOR operations ultimately remains in secure underground containment

## Example Recovery of Original Oil in Place



# Cedar Creek Anticline – A World Class CO<sub>2</sub> EOR Project



> 400 MMBbl total recovery potential using 100% industrial-sourced CO<sub>2</sub>

## CO<sub>2</sub> Pipeline to CCA from Bell Creek

- Plan to install in 2H 2021; ~\$100 MM anticipated 2021 capital spend
- Services all CCA EOR development phases; represents < \$0.50/Bbl across total project
- All key permits in place

## Phase 1

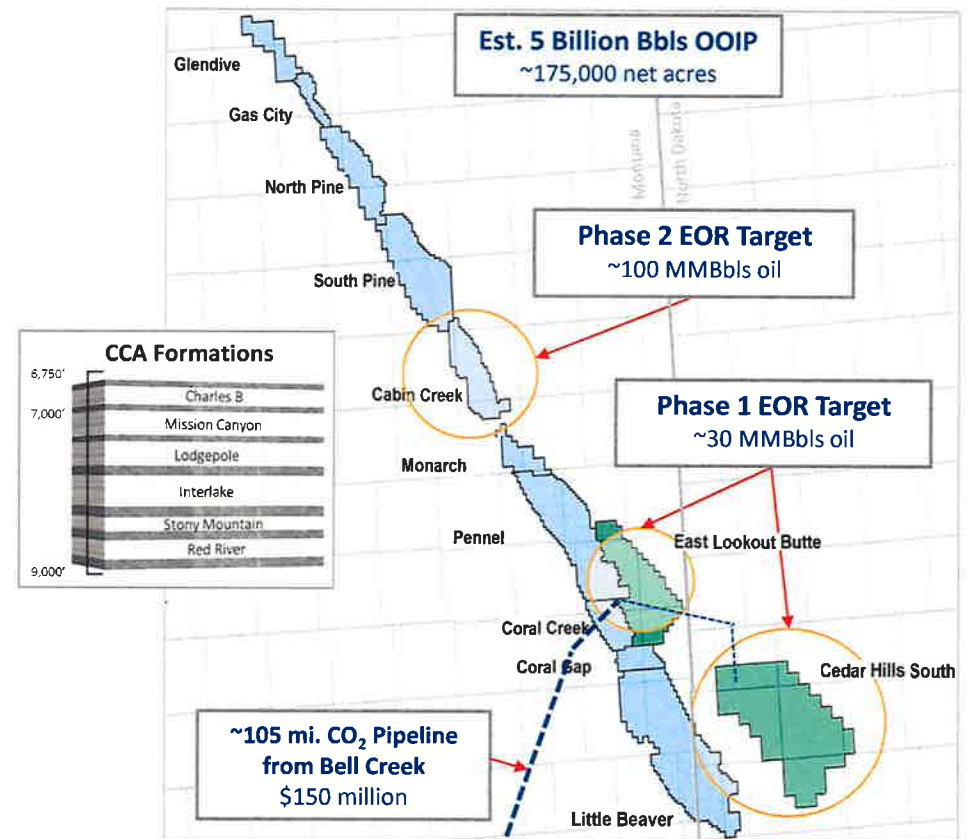
- Targets ~30 MMBbbls of recoverable oil in Red River formation in East Lookout Butte and Cedar Hills South
- First production expected in 2H23
- Total capex (excl. CO<sub>2</sub> pipeline) ~\$500 MM over 15 years

## Phase 2

- Targets ~100 MMBbbls of recoverable oil in Interlake, Stony Mountain and Red River formations in Cabin Creek
- Development expected to commence in 2024
- Total capex of ~\$500 – \$600 MM over multiple decades

## Future Phases – Remainder of CCA

- > 300 MMBbl EOR potential in multiple formations



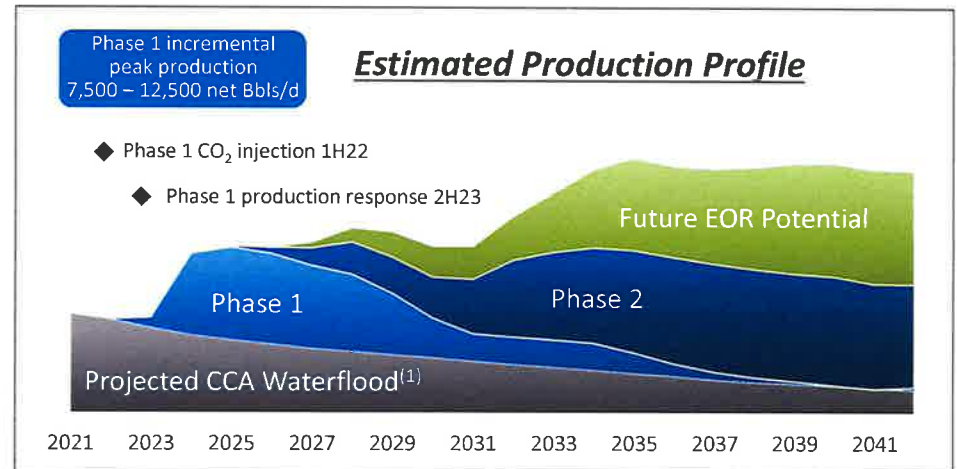
# CCA EOR – A Scope 3 Carbon Negative Development



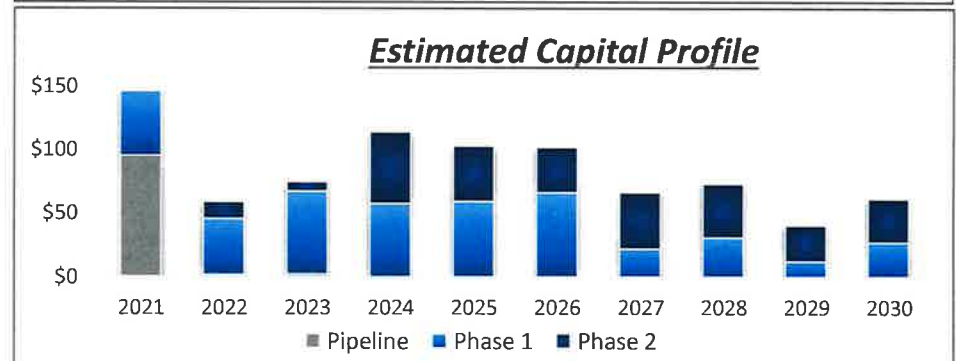
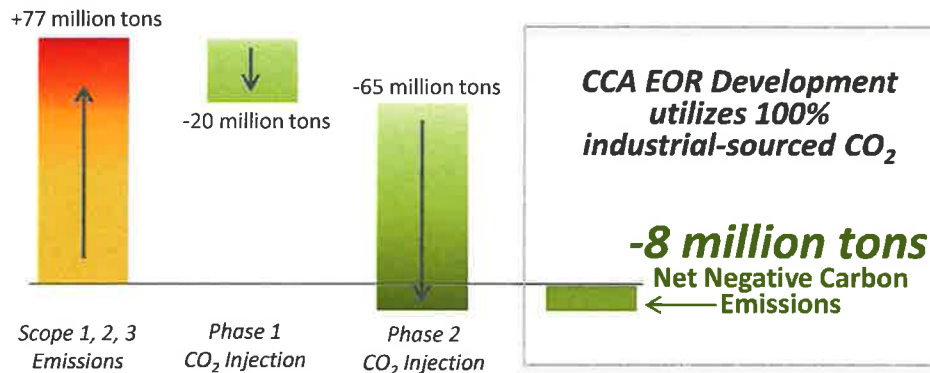
Phases 1 & 2 will collectively store ~85 million metric tons of industrial-sourced CO<sub>2</sub>

## Additional Development Details

- Evaluating further enhancements to project based on potential availability of additional CO<sub>2</sub>
- Evaluating financing alternatives for the CO<sub>2</sub> pipeline construction
- Anticipated \$10-15/Bbl Phase 1 and 2 tertiary lifting cost expected to meaningfully reduce overall corporate LOE/BOE



## CO<sub>2</sub> Emissions – Scope 3 Negative

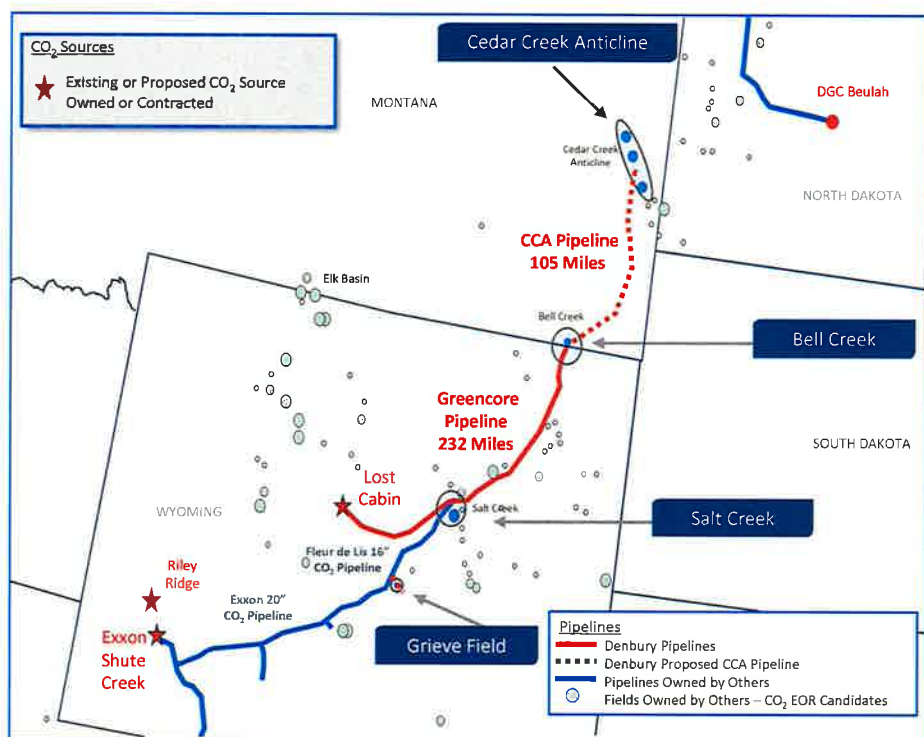


1) CCA waterflood proved production profile at \$50/Bbl NYMEX

# Rockies CO<sub>2</sub> Source and Pipeline Network



## CO<sub>2</sub> System Overview



## CCA CO<sub>2</sub> Pipeline

Asset Detail	Description
Diameter / Length	16-inch / 105 miles
Maximum Operating Pressure	2200 psig
Total Throughput Capacity	300 MMcfd (can be expanded)
Total Projected Cost	\$150MM
Completion Date	1Q 2023

## Greencore CO<sub>2</sub> Pipeline Overview

Asset Detail	Description
Diameter / Length	20-inch / 232 miles
Maximum Operating Pressure	2200 psig
Total Throughput Capacity	300 MMcfd (can be expanded)
Total Cost to Construct	\$322MM
Completion Date	12/2012



# CCA Pipeline



## CCA Pipeline Project

- 105 miles 16" CO<sub>2</sub> pipeline from Bell Creek to Baker, MT
  - Capacity of 300 MMCF/day capacity
  - Expandable with additional compression
- ~18 miles of 12" CO<sub>2</sub> pipeline from Baker, MT to CHSU in Bowman County, ND
- Booster Station
  - Located at terminus of 16" CCA pipeline in Lookout Butte field
  - Designed to boost pressure from ~2000 psi to ~3200 psi

## Construction Timing

- Mid July through end of November
- Pack line from December 2021 through February 2022
- First injection planned for end of 1Q 2022

## CCA Pipeline Construction Status

- Currently review bids
- All pipeline construction companies will adhere to Montana Prevailing wage

**MONTANA BOARD OF OIL AND GAS CONSERVATION  
FINANCIAL STATEMENT  
As of 3/29/21  
Fiscal Year 2021: Percent of Year Elapsed - 75%**

		Budget	Expends	%	Remaining
Regulatory	Personal Services	1,283,483	736,234	57	547,249
UIC	Personal Services	<u>281,739</u>	<u>181,931</u>	65	<u>99,808</u>
	<b>Total</b>	<b>1,565,222</b>	<b>918,164</b>	<b>59</b>	<b>647,058</b>
Regulatory	Equipment & Assets	46,371	-	-	46,371
UIC	Equipment & Assets	<u>10,179</u>	<u>-</u>	<u>-</u>	<u>10,179</u>
	<b>Total</b>	<b>56,550</b>	<b>-</b>	<b>-</b>	<b>56,550</b>
Regulatory	Operating Expenses:				
	Contracted Services	135,897	55,939	41	79,958
	Supplies & Materials	54,903	20,801	38	34,102
	Communication	77,777	30,600	39	47,177
	Travel	34,276	4,296	13	29,980
	Rent	29,602	16,103	54	13,499
	Utilities	19,762	8,947	45	10,815
	Repair/Maintenance	33,292	13,122	39	20,170
	Other Expenses	<u>25,092</u>	<u>16,892</u>	<u>67</u>	<u>8,200</u>
	<b>Total Operating Expenses</b>	<b>410,601</b>	<b>166,700</b>	<b>41</b>	<b>243,902</b>
UIC	Operating Expenses:				
	Contracted Services	29,830	10,653	36	19,176
	Supplies & Materials	12,052	3,821	32	8,231
	Communication	17,114	6,639	39	10,475
	Travel	7,524	538	7	6,986
	Rent	6,498	3,535	54	2,963
	Utilities	4,338	1,964	45	2,374
	Repair/Maintenance	7,308	2,878	39	4,430
	Other Expenses	<u>5,508</u>	<u>1,505</u>	<u>27</u>	<u>4,003</u>
	<b>Total Operating Expenses</b>	<b>90,172</b>	<b>31,533</b>	<b>35</b>	<b>58,639</b>
	<b>Total</b>	<b>500,773</b>	<b>198,233</b>	<b>40</b>	<b>302,540</b>

	Budget	Expends	%	Remaining
<b>Carryforward FY19</b>				
Personal Services	20,180	-	0	20,180
Operating Expenses	60,540	-	0	60,540
Equipment & Assests	-	-	0	-
<b>Total</b>	<b>80,720</b>	<b>-</b>	<b>0</b>	<b>80,720</b>
<b>Carryforward FY20</b>				
Personal Services	72,764	-	0	72,764
Operating Expenses	72,764	-	0	72,764
Equipment & Assests	-	-	0	-
<b>Total</b>	<b>145,528</b>	<b>-</b>	<b>0</b>	<b>145,528</b>

Funding Breakout	2021 Total Budget	2021 Total Expends	%
State Special	2,122,545	1,116,397	53
Federal 2020 UIC (10-1-2019 to 9-30-2020)	107,000	107,000	100
Federal 2021 UIC (10-1-2020 to 9-30-2021)	<u>107,000</u>	<u>-</u>	<u>0</u>
<b>Total</b>	<b>2,336,545</b>	<b>1,223,397</b>	<b>52</b>

**REVENUE INTO STATE SPECIAL REVENUE ACCOUNT**

	FY 21	FY 20
Oil & Gas Production Tax	\$ 429,068	\$ 2,506,637
Oil Production Tax	401,994	2,379,643
Gas Production Tax	27,074	126,994
Drilling Permit Fees	11,825	12,200
UIC Permit Fees	229,600	240,900
Interest on Investments	4,957	44,502
Copies of Documents	250	1,034
Miscellaneous Reimbursements	-	8,788
<b>TOTAL</b>	<b>\$ 675,700</b>	<b>\$ 2,814,061</b>

**REVENUE INTO DAMAGE MITIGATION ACCOUNT**

	FY 21	FY 20
RIT Investment Earnings:	\$ -	\$ 377,997
July	-	-
August	-	61
September	-	34,760
October	-	63,320
November	-	35,618
December	-	28,735
January	-	30,921
February	-	33,319
March	-	28,212
April	-	35,433
May	-	32,824
June	-	54,793
Bond Forfeitures:	141,201	19,878
Interest on Investments	837	6,906
<b>TOTAL</b>	<b>\$ 142,038</b>	<b>\$ 404,780</b>

**INVESTMENT ACCOUNT BALANCES**

Regulatory Account	\$ 3,510,733
Damage Mitigation Account	\$ 540,868

**REVENUE INTO GENERAL FUND FROM FINES**

		FY 21
BEARTOOTH ENERGY LLC	8/21/2020	\$ 80
R & A OIL INC	8/21/2020	260
PRESCO INC	8/21/2020	110
BBX OPERATING LLC	9/4/2020	160
MONTANA OIL AND GAS LLC	9/4/2020	290
APACHE CORPORATION	9/25/2020	220
UNITED STATES ENERGY CORP	10/14/2020	60
SLOHCIN INC	10/14/2020	70
D AND H ENERGY LLC	10/14/2020	670
HABETS GLEN	10/23/2020	80
HOFLAND JAMES D	10/23/2020	70
MILLER FRANK I	10/30/2020	60
DRAWINGS LLC	11/20/2020	1,220
RIOFAIR PARTNERS	12/4/2020	1,860
HAWLEY OIL LLP	12/4/2020	1,900
CITY OF BAKER	12/23/2020	80
RANCH OIL COMPANY INC	12/30/2020	80
MISC OIL CO	12/30/2020	80
BRANCH JILL	1/8/2021	60
KTS TRUCKING	1/15/2021	140
BLACK GOLD ENERGY RESOURCES DEVELOPMENT LLC	1/15/2021	80
MONTANA OIL AND GAS LLC	1/15/2021	210
DWAINE IVERSON CPA PC	1/15/2021	60
HAWLEY HYDROCARBONS LLP	1/19/2021	1,000
HAWLEY HYDROCARBONS LLP	1/19/2021	1,000
<b>MBI OIL AND GAS LLC</b>	<b>1/29/2021</b>	<b>150</b>
<b>STALKING HORSE ENERGY LLC / P3</b>	<b>2/5/2021</b>	<b>160</b>
<b>LYON OIL</b>	<b>2/5/2021</b>	<b>120</b>
<b>HAWLEY MERRILL HAWLEY NORTHROP</b>	<b>2/19/2021</b>	<b>160</b>
<b>HAWLEY MERRILL / HAWLEY HYDROCARBONS</b>	<b>2/19/2021</b>	<b>420</b>
<b>GREAT PLAINS ENERGY INC</b>	<b>2/19/2021</b>	<b>60</b>
<b>HEAVY WATER HAULERS INC</b>	<b>2/19/2021</b>	<b>70</b>
<b>HIGHLANDS MONTANA CORPORATION</b>	<b>3/5/2021</b>	<b>70</b>
<b>SHADWELL RESOURCES GROUP LLC</b>	<b>3/5/2021</b>	<b>3,938</b>
<b>COWRY ENTERPRISES LTD</b>	<b>3/12/2021</b>	<b>60</b>
<b>TOTAL</b>		<b>\$ 15,108</b>

**DAMAGE MITIGATION CONTRACTS**

<u>Name</u>	<u>Authorized Amt</u>	<u>Expended</u>	<u>Balance</u>	<u>Status</u>	<u>Expiration Date</u>
Alturas Plug, Abandon, and Reclaim Wells	262,677	262,529	\$ 148	Completed	6/30/2021
TOTAL	\$ 262,677	\$ 262,529	\$ 148		

**CONTRACTS**

<u>Name</u>	<u>Authorized Amt</u>	<u>Expended</u>	<u>Balance</u>	<u>Status</u>	<u>Expiration Date</u>
Agency Legal Services 2021	\$ 70,000	\$ 10,384	\$ 59,616	Under Contract	6/30/2021
COR Enterprises - Billings Janitorial	46,680	33,478	13,202	Under Contract	6/30/2021
TOTAL	\$ 116,680	\$ 43,862	\$ 72,818		

**Agency Legal Services  
Expenditures in FY20**

<u>Case</u>	<u>Amt Spent</u>
BOGC Duties	\$ 6,493
TOI	3,880
Hydraulic Fracturing	11
Total	\$ 10,384

**Montana Board of Oil and Gas Conservation  
Summary of Bond Activity**

**EXHIBIT 3**

1/25/2021 Through 3/30/2021

**Approved**

A&S Mineral Development Company, LLC Poplar MT	879 M1	Approved	2/17/2021
		Amount:	\$100,000.00
		Purpose:	Multiple Well Bond
Certificate of Deposit	\$50,000.00	Independence Bank	ACT
Certificate of Deposit	\$50,000.00	Independence Bank	ACT
Bison Oil & Gas III, LLC Denver CO	883 M1	Approved	3/11/2021
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Surety Bond	\$50,000.00	U.S. Specialty Insurance Co.	ACT
Contango Resources, Inc. Houston TX	884 U1	Approved	3/15/2021
		Amount:	\$200,000.00
		Purpose:	UIC Limited Bond
Surety Bond	\$200,000.00	U.S. Specialty Insurance Co.	ACT
Contango Resources, Inc. Houston TX	884 M1	Approved	3/15/2021
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Surety Bond	\$50,000.00	U.S. Specialty Insurance Co.	ACT
Grayson Mill Operating, LLC Houston TX	882 M1	Approved	2/22/2021
		Amount:	\$100,000.00
		Purpose:	Multiple Well Bond
Surety Bond	\$100,000.00	U.S. Specialty Insurance Co.	ACT

**Canceled**

Carrell Oil Company Dbc Coco Laurel MT	130 U1	Canceled	1/28/2021
		Amount:	\$60,000.00
		Purpose:	UIC Limited Bond
Carrell Oil Company Dbc Coco Laurel MT	130 M1	Canceled	1/28/2021
		Amount:	\$25,000.00
		Purpose:	Multiple Well Bond
Grizzly Operating, LLC Houston TX	525 U1	Canceled	3/15/2021
		Amount:	\$200,000.00
		Purpose:	UIC Limited Bond
Grizzly Operating, LLC Houston TX	525 M1	Canceled	3/15/2021
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Samson Resources Company Tulsa OK	4 M1	Canceled	2/4/2021
		Amount:	\$100,000.00
		Purpose:	Multiple Well Bond

Montana Board of Oil and Gas Conservation  
Summary of Bond Activity

1/25/2021 Through 3/30/2021

**Forfeited**

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PARMT LLC	813 G1	Forfeited	2/2/2021
Scottsdale AZ		Amount:	\$10,000.00
		Purpose:	Single Well Bond

# Incident Report

EXHIBIT 4

Company	Responsibility	Date	Incident	Oil Released	Water Released	Source	Contained	Latitude	Longitude	County	T-R-S
Denbury Onshore, LLC	BOG	2/7/2021	Spill or Release		75 Barrels	Flow Line - Injection	No	46.57234	-104.42097	Fallon	10N-58E-33 SESE
Denbury Onshore, LLC	BOG	2/9/2021	Spill or Release		50 Barrels	Flow Line - Injection	No	46.26851	-104.17428	Fallon	6N-60E-14 SWSW
Denbury Onshore, LLC	BOG	2/9/2021	Spill or Release	10 Barrels		Tank or Tank Battery	Yes	47.01639	-104.83190	Dawson	15N-54E-36 SENW
Continental Resources Inc	FED	2/9/2021	Fire			Other	Yes	48.00218	-104.60842	Richland	26N-55E-15 NWSW
Denbury Onshore, LLC	BOG	2/12/2021	Fire			Flare Pit	No	46.56500	-104.41310	Fallon	9N-58E-3 SENW
Denbury Onshore, LLC	BOG	2/12/2021	Spill or Release		250 Barrels	Flow Line - Production	No	46.40444	-104.27750	Fallon	8N-60E-31 SWNW
White Rock Oil & Gas, LLC	BOG	2/14/2021	Fire			Flare Pit	No	47.85461	-104.41857	Richland	24N-57E-9 NWSW
White Rock Oil & Gas, LLC	BOG	2/18/2021	Spill or Release	50 Barrels		Tank or Tank Battery	Yes	47.61092	-104.24726	Richland	21N-58E-2 SWNW
Denbury Onshore, LLC	BOG	2/19/2021	Spill or Release		30 Barrels	Other	Yes	46.37732	-104.25309	Fallon	7N-60E-7 SENW
Denbury Onshore, LLC	BOG	2/20/2021	Spill or Release		4 Barrels	Flow Line - Production	No	46.42465	-104.31825	Fallon	8N-59E-26 NWNW

**Docket Summary**

9-2021	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 25N-58E-14: all, 23: all (Taylor 14-23 #2H, Taylor 14-23 #3H, Taylor 14-23 #4H, and Taylor 14-23 #5H).	<i>Related Dockets 9-2021, 10-2021</i>	<input type="checkbox"/>
10-2021	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 25N-58E-14: all, 23: all (Taylor 14-23 #2H, Taylor 14-23 #3H, Taylor 14-23 #4H, and Taylor 14-23 #5H). Non-consent penalties requested.	<i>Related Dockets 9-2021, 10-2021</i>	<input type="checkbox"/>
11-2021	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 25N-58E-14: all, 15: all, 22: all, 23: all (Taylor LW 14-23 #1H).	<i>Related Dockets 11-2021, 12-2021</i>	<input type="checkbox"/>
12-2021	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 25N-58E-14: all, 15: all, 22: all, 23: all (Taylor LW 14-23 #1H). Non-consent penalties requested.	<i>Related Dockets 11-2021, 12-2021</i>	<input type="checkbox"/>
13-2021	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-21: all, 28: all, 33: all (Dagney 33-21 #2H, Dagney 33-21 #3H, and Dagney 33-21 #4H).	<i>Dagney 33-21 #2H was never drilled Related Dockets 13-2021, 14-2021</i>	<input type="checkbox"/>
14-2021	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-21: all, 28: all, 33: all (Dagney 33-21 #2H, Dagney 33-21 #3H, and Dagney 33-21 #4H). Non-consent penalties requested.	<i>Related Dockets 13-2021, 14-2021</i>	<input type="checkbox"/>
15-2021	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-5: all, 8: all, 17: all (Rowin 17-5 #2H, Rowin 17-5 #3H, and Rowin 17-5 #4H).	<i>Related Dockets 15-2021, 16-2021</i>	<input type="checkbox"/>
16-2021	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-5: all, 8: all, 17: all (Rowin 17-5 #2H, Rowin 17-5 #3H, and Rowin 17-5 #4H). Non-consent penalties requested.	<i>Related Dockets 15-2021, 16-2021</i>	<input type="checkbox"/>
17-2021	Kraken Oil & Gas LLC	Amend Order 105-2019 (Authorize the drilling of up to four horizontal wells with a common pad in temporary spacing unit, Bakken/Three Forks Formation, 25N-59E-30: all, 31: all, 200' heel/toe setbacks, 500' lateral. Apply for permanent spacing within 90 days of successful completion.) Amend that operations must commence by 4/5/2022.		<input type="checkbox"/>
18-2021	Kraken Oil & Gas LLC	Amend Order 107-2019 (Authorize the drilling of up to four horizontal wells with a common pad in temporary spacing unit, Bakken/Three Forks Formation, 25N-59E-29: all, 32: all, 200' heel/toe setbacks, 500' lateral. Apply for permanent spacing within 90 days of successful completion.) Amend that operations must commence by 4/5/2022.		<input type="checkbox"/>
19-2021	Kraken Oil & Gas LLC	Amend Order 14-2020 (Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-4: all, 9: all, 16: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order.) Amend that operations must commence by 4/30/2022.		<input type="checkbox"/>



20-2021	Bison Oil and Gas III, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 26N-58E-12: all, 13: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Amend Board Order 149-2013 to clarify said order is limited to oil and associated natural gas produced from the Bakken/Three Forks Formation for the Shirley 13-24 #1H well.	<input type="checkbox"/>
21-2021	Bison Oil and Gas III, LLC	Authorize the drilling of up to three additional horizontal wells from a common pad anywhere within the overlapping temporary spacing unit, Bakken/Three Forks Formation, 26N-58E-12: all, 13: all, 200' heel/toe, 500' lateral setbacks.	<input type="checkbox"/>
22-2021	Bison Oil and Gas III, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-18: all, 19: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Amend Board Order 475-2011 to clarify said order is limited to oil and associated natural gas produced from the Bakken/Three Forks Formation for the Johnson 30-19 #1H well.	<input type="checkbox"/>
23-2021	Bison Oil and Gas III, LLC	Authorize the drilling of up to three additional horizontal wells from a common pad anywhere within the overlapping temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-18: all, 19: all, 200' heel/toe, 500' lateral setbacks.	<input type="checkbox"/>
24-2021	Bison Oil and Gas III, LLC	Amend Order 224-2012, authorize the drilling of up to two additional horizontal wells from a common pad anywhere within the permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-2: all, 11: all, 200' heel/toe, 500' lateral setbacks.	<input type="checkbox"/>
25-2021	Bison Oil and Gas III, LLC	Amend Order 10-2020, (authorize the drilling of one well, temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-1: all, 12: all, 13: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of successful completion. Operations must commence within one year of date of order.) Extension requested.	<input type="checkbox"/>
26-2021	Prima Exploration, Inc.	Amend Order 10-2020, (authorize the drilling of one well, temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-1: all, 12: all, 13: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of successful completion. Operations must commence within one year of date of order.) Amend that operations must commence by 4/30/22.	<input type="checkbox"/>
27-2021	Prima Exploration, Inc.	Authorize the drilling of an additional horizontal well, temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-1: all, 12: all, 13: all, 200' heel/toe, 500' lateral setbacks. Apply for permanent spacing within 90 days of completion.	<input type="checkbox"/>
28-2021	Denbury Onshore, LLC	Convert the Coral Creek 24-33 well, 7N-60E-33: SESW (API #025-05164) to an enhanced recovery injection well, Red River Formation,	<input type="checkbox"/>
29-2021	Board of Oil and Gas Conservation	Montana Energy Company, LLC is to appear at the April 8, 2021, public hearing to provide the Board a progress update of its efforts to reduce its plugging liability, as required by Board Order 32-2020.	<input type="checkbox"/>

30-2021	A. B. Energy LLC	Change of Operator from Croft Petroleum Co. to A.B. Energy, LLC. & orphan well (Mountain Pacific General) to A.B. Energy,			<input type="checkbox"/>
42-2020	Poplar Resources LLC	Designate East Poplar Unit Area as a tertiary recovery project effective 7/1/20.	<b>Continued</b>	<p>28N-52E-06 described as Lots 1, 2, 3, 4; 4, 5, 6, 7 matches unit boundary. 28N-51E-10 NE excluded from unit initially; added? Lands in 29N-50E-22 - exclude from project?</p> <p>Email 9/23/20 requesting to continue to Dec 2020 hearing. Cont to Feb 2021 hearing. Email 1/6/21 requesting to continue to April 2021 hearing. Email 3/24/21 requesting to continue to June 2021 hearing.</p>	<input type="checkbox"/>
49-2020	Three Forks Resources, LLC	Request for a change of operator, and as required by Board policy, the Board will hold a hearing to consider approval of the transfer of plugging and reclamation responsibilities for certain wells in Liberty and Toole Counties, Montana, identified in the application from Croft Petroleum Co. to Three Forks Resources, LLC and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.		<p>Continued request received via email 11/30/20</p> <p>Continued request received via email 1/7/21</p>	<input type="checkbox"/>
61-2020	Denbury Onshore, LLC	Exception to statewide drilling and temporary spacing rules, Charles Formation / Madison Group, 11N-57E-22: SE, authorization to recomplete the South Pine 43-22AR (2,005' FSL / 850' FEL).		<p>Continued, email received 11/2/20</p> <p>Continued to the April hearing, email received 1/18/21</p>	<input type="checkbox"/>
63-2020	Denbury Onshore, LLC	Pilot Enhanced Recovery Project, Madison Group, 10N-58E-8: S2NE, E2SW, SWSW, SE, 9: W2SW, 17: N2NE, SWNE, NW.	<b>Withdrawn</b>	<p>Continued, email received 11/2/20</p> <p>Continued to the April hearing, email received 1/18/21</p> <p>Withdrawn, email received 2/19/21.</p>	<input type="checkbox"/>
64-2020	Denbury Onshore, LLC	Permanent spacing unit, Mission Canyon Formation / Madison Group, 4N-62E-19: NWSW, S2SW, 30: W2NE, E2NW and 4N-61E-24: NWNE, S2NE, NESE (Little Beaver East Unit MC22-30NH)	<b>Continued</b>	<p>Well is located in Little Beaver Field, well called a Little Beaver East Unit MC22-30NH</p> <p>Requested continuance at the time of hearing Continued to the April hearing, email received 1/14/21 Continued to the June hearing, email received 3/4/21</p>	<input type="checkbox"/>
1-2021	Montalban Oil & Gas Operations, Inc.	Change of Operator from Omimex Canada, Ltd. to Montalban Oil & Gas Operations, Inc.		1/26/21 - Patrick Montalban called and continue the docket to April.	<input type="checkbox"/>
31-2021	ANG Holding (USA) Corp.	Show Cause: why it should not have to provide a plan and timeline for the plugging and abandonment of its wells.			<input type="checkbox"/>

32-2021	Forward Energy, LLC	Show Cause: why it should not have to provide a plan and timeline for the plugging and abandonment of its wells.			<input type="checkbox"/>
33-2021	Young Sanders E&P, LLC	Show Cause: why it should not have to plug and abandon its State 16-16 well.			<input type="checkbox"/>
34-2021	Black Gold Energy Resource Development, LLC	Show Cause: failure to file injection reports and pay administrative fees.	<b>Dismissed</b>	<i>Reports and fine received: 3/26/21</i>	<input type="checkbox"/>
35-2021	Rincon Oil & Gas LLC	Show Cause: failure to file production reports and pay administrative fees.		<i>- Reports and HALF of fine received: 3/25/21</i>	<input type="checkbox"/>
36-2021	Kykuit Resources, LLC	Show Cause: why additional penalties should not be assessed for failure to pay the penalty assessed for delinquent reporting and failure to appear at the February 4, 2021, public hearing.			<input type="checkbox"/>
37-2021	Roland Oil and Gas	Show Cause: why it should not have to provide a plan and timeline for the plugging and abandonment of its wells in Glacier and Pondera Counties, Montana.			<input type="checkbox"/>
41-2020	Shadwell Resources Group, LLC	Show cause: why Administrative Order 3-A-2020 issued at the June 24, 2020, business meeting should not remain in effect for the Velma SWD 1-10H well, API # 25-083-22531, located in the NW¼NW¼ of Section 10, T23N-R58E, Richland County, Montana. It was ordered that Shadwell Resources Group, LLC must immediately cease operations at the Velma SWD 1-10H well and that no additional fluids be transported to the location until violations are remedied, compliance is confirmed by inspection, and this order is lifted by the Administrator. Shadwell is subject to a \$250 fine for each day after August 24, 2020, that the violations remain unresolved.			<input type="checkbox"/>
6-2021	Lyon, John J.	Show Cause: failure to file production reports and pay administrative fees.	<b>Dismissed</b>	<i>Filed the production reports and paid the fine.</i>	<input type="checkbox"/>

April 7, 2021

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**SUMMARY PAGE**

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**Board Business Meeting April 7, 2021**

**DAUBE COMPANY, THE – GOLDEN VALLEY AND STILLWATER COUNTIES,  
MONTANA**

- The two wells have been shut-in for over 10 years.
- NOIA the two wells were received in 2019.
- A certified letter was sent to Daube on February 8, 2021 with an April 7, 2021 deadline to submit a plugging schedule.
- On March 10, 2021, James Marshal with The Daube Company submitted a statement indicating their plans to plug the wells.

The attachments contain the Enforcement Status Report, a statement from the operator, Shut-In Well Report, and Bond Summary Report

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**Enforcement Status Report***Run Date: 3/26/2021**Page 1 of 1*

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**Daube Company, The****1st Action: 12/17/2018****Action Required: 2/1/2019****Closed:****Enforcement Items:**

Inactive Wells - Board Review

2 wells. 1 in Golden Valley County and 1 in Stillwater County.

**Action:**

Letter	3/10/2021	Letter from James Marshall w/ The Daube Company. Plan to plug wells.
Other	2/18/2021	Letter dated 2/9/21 delivered.
Letter, Certified	2/8/2021	April 7 deadline to submit plugging schedule or show-cause June 10.
		April 7 deadline to submit plugging schedule or show-cause at June 10, 2021 public hearing.
Business Meeting	2/3/2021	Status of two wells discussed, will send letter.
Other	5/15/2019	NOIA submitted for 7T Land & Livestock 2-27.
E-Mail	3/12/2019	Email to and from Daube regarding sage grouse and landowner.
Other	3/12/2019	NOIA submitted for Kober Farms 1-7.
Other	3/7/2019	Sundries and statement received. Check on Kober Farms 1-7.
Other	2/25/2019	Return receipt for second letter received.
Letter, Certified	2/15/2019	2nd letter with March 7 deadline.
Other	12/24/2018	Return receipt received.
Letter, Certified	12/17/2018	Letter sent to operator with 02/01/19 deadline.

**Comment:**

THE

*Daube*

COMPANY

RECEIVED

MAR 10 2021

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

OIL AND GAS EXPLORATION  
BOX 38  
ARDMORE, OKLAHOMA  
73402  
PHONE (580) 223-7403  
FAX (580) 226-3521

Department of Natural Resources and Conservation  
Board of Oil and Gas Conservation  
1539 11<sup>th</sup> Avenue  
P.O. Box 201601  
Helena, Montana 59620-1601

2/24/2021

Attn: John Gizicki

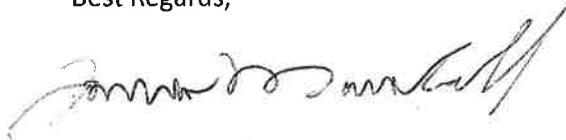
The Daube Company received your letter concerning plugging and abandoning the 7T Land & Livestock and Kober Farms 1-7 wells dated February 08, 2021. Plans have been made to plug and abandon these two wells.

An agreement was made with Wyoming Completions out of Powell, WY to plug these wells last summer. They visited the sites and contacted the landowners. We have a written agreement with the landowner for the 7T Land & Livestock well to enter the property and plug the well. We also now have a verbal agreement with the landowner of the Kober Farms 7T well to enter the property and plug this well also. The Kober Farms landowner requested last fall when we were ready to mobilize not to plug the well at that time due to the dry conditions. They then requested us to wait until after hunting season to plug and abandon the well. Due to the logistics of plugging during the harsh winter months in an area with very limited logistical services, we are now waiting for the weather to break. Current plans are to move onto the wells once the weather breaks but before road restrictions prohibit moving heavy equipment. If that cannot be done, plans are to move on the wells to abandon them as soon as practical after the road restrictions are lifted.

AFE's have been written and approved and The Daube Company has every intention to perform this work as soon as practical.

If you have further questions or concerns, please contact me at this office.

Best Regards,



James Marshall  
Operations Manager  
The Daube Company  
[jmarshall@daubeco.com](mailto:jmarshall@daubeco.com)

# Shut-In Wells by Operator

3/28/2021  
11:45:47 AM

1902     A

Daube Company, The

Wells     SI     %

/ Well     2     2     100%

B1	Blanket Bond	\$10,000	\$5,000.00	2	2	100%
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SI Two to Five Years	SI Five to Ten Years	SI Greater than Ten Years	Total
0	0	2	2

1902/B1     Blanket Bond

*Last Non-Zero*

1902	B1	037-21020	7T Land & Livestock 2-27	5N-17E-27 SW NW NE	990 FNL, 2310 FEL	GAS	-----
1902	B1	095-21178	Kober Farms 1-7	2S-22E-7 NW SE SW	1012 FSL, 1849 FWL	GAS	-----

1 Operator(s) Included in Report

## Plugging and Reclamation Bonds With Well List

<b>DAUBE COMPANY, THE</b>		<b>1902</b>	<b>Bond: B1</b>	<b>\$10,000.00</b>	<b>Blanket Bond</b>	<b>Active</b>	<b>Wells: 2</b>	<b>Allowed:</b>	
Surety Bond	Active	AETNA CASUALTY AND SURETY CO.		\$10,000.00			Approved	6/3/1981	
API #	Operator	Well	Location		Field		TD	PBTD	Status
037-21020	Daube Company, The	7T Land & Livestock 2-27	5 N 17 E 27	SW NW NE	990N 2310E	Wildcat Golden Valley	1924		SI GAS
095-21178	Daube Company, The	Kober Farms 1-7	2 S 22 E 7	NW SE SW	1012S 1849W	Wildcat Stillwater	4478	1700	SI GAS

Comment: 40-S-36630 BCA



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**SUMMARY PAGE**

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**Board Business Meeting April 7, 2021**

**ELENBURG EXPLORATION, INC – LIBERTY COUNTY, MONTANA**

- The well has been shut-in for over 10 years.
- NOIA the well was received in 2019.
- A certified letter was sent to Elenburg on February 8, 2021 with an April 7, 2021 deadline to submit a plugging schedule.
- The letter came back undeliverable.

The attachments contain the Enforcement Status Report, Shut-In Well Report, and Bond Summary Report

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**Enforcement Status Report***Run Date: 3/28/2021**Page 1 of 1*

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**Elenburg Exploration, Inc.****1st Action: 12/17/2018****Action Required: 2/1/2019****Closed:****Enforcement Items:**

Inactive Wells - Board Review

1 well in Liberty County.

**Action:**

Other	3/17/2021	Letter dated 2/8/2021 came back undeliverable.
Letter, Certified	2/8/2021	April 7 deadline to submit plugging schedule or show-cause June 10.
Business Meeting	2/3/2021	Status of Meissner 11-14 discussed - will send letter.
Other	9/24/2019	NOIA approved.
Other	9/23/2019	Return receipt received for Casper, WY address.
Other	9/19/2019	Houston letter returned undeliverable.
Letter, Certified	9/6/2019	Oct 9 deadline to get info in, Sent to 2 addresses.
Other	4/29/2019	Texas return receipt received.
Other	4/29/2019	Wyoming return receipt received.
Telephone Call	4/23/2019	Dave P. spoke w/Bert w/CapStar about plugging.
Letter, Certified	4/15/2019	Casper and TX address, informed them of Show cause in June.
Business Meeting	4/10/2019	Show cause in June why should not have to plug and abandon well.
Letter, Certified	4/8/2019	2 letters sent to Houston, TX address.
Other	2/28/2019	Return receipt received.
Letter, Certified	2/15/2019	2nd letter with March 7 deadline.
Other	12/27/2018	Return receipt received.
Letter, Certified	12/17/2018	Certified letter sent with 02/01/19 deadline.

**Comment:**

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# Shut-In Wells by Operator

3/28/2021  
11:06:02 AM

2160 A

Wells      SI      %

Elenburg Exploration, Inc.

/ Well	1	1	100%
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F1	Federal			0	0	
B1	Blanket Bond	\$10,000	\$10,000.00	1	1	100%

SI Two to Five Years	SI Five to Ten Years	SI Greater than Ten Years	Total
0	0	1	1

2160/B1      Blanket Bond

*Last Non-Zero*

2160 B1    051-21588    Meissner 11-14                      29N-6E-14 SW NE SW    1679 FSL, 1412 FWL    GAS                      -----

1 Operator(s) Included in Report

## Plugging and Reclamation Bonds With Well List

<b>ELENBURG EXPLORATION, INC.</b>		<b>2160</b>	<b>Bond: B1</b>	\$10,000.00	Blanket Bond	Active	<b>Wells: 1</b>	<b>Allowed:</b>		
Surety Bond	Active	CONTINENTAL CASUALTY COMPANY		\$10,000.00			Approved	11/11/1974		
API #	Operator	Well		Location		Field	TD	PBTD	Status	
051-21588	Elenburg Exploration, Inc.	Meissner 11-14	29 N	6 E	14 SW NE SW	1679S 1412W	Wildcat Liberty	1255	710	SI GAS

Comment: 141902207

<b>ELENBURG EXPLORATION, INC.</b>		<b>2160</b>	<b>Bond: F1</b>		Federal	Active Federal	<b>Wells: 0</b>	<b>Allowed:</b>	
Other Bond		FEDERAL BOND					Approved	1/1/1981	

Comment: FEDERAL

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***SUMMARY PAGE***

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**Board Business Meeting April 7, 2021**

**GRYNBER, JACK J. – HILL COUNTY, MONTANA**

- The two wells have been shut-in for over 10 years.
- NOIA the two wells were received in 2019.
- A certified letter was sent to Grynberg on February 8, 2021 with an April 7, 2021 deadline to submit a plugging schedule.

The attachments contain the Enforcement Status Report, Shut-In Well Report, and Bond Summary Report

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**Enforcement Status Report***Run Date: 3/28/2021**Page 1 of 1*

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**Grynberg, Jack J.****1st Action: 12/17/2018****Action Required: 2/1/2019****Closed:****Enforcement Items:**

Inactive Wells - Board Review

2 wells in Hill County.

**Action:**

Telephone Call - Unanswere	3/26/2021	Left VM with # ending in 5323.
E-Mail	2/24/2021	Richard Miller emailed contact information for Jack Grynberg.
Other	2/18/2021	Letter dated 2/8/2021 was returned - not deliverable as addressed.
Letter, Certified	2/8/2021	April 7 deadline to submit plugging schedule or show-cause June 10.
Business Meeting	2/3/2021	The status of the 2 wells were discussed - a letter will be sent.
Other	4/22/2019	Intents to abandon received. "will begin within a year".
E-Mail	3/29/2019	Richard Miller in Contact with Shelby office to submit plug plan.
Other	2/25/2019	Return receipt for second letter received.
Letter, Certified	2/15/2019	2nd letter with March 7 deadline.
Other	12/26/2018	Return receipt received.
Letter, Certified	12/17/2018	Letter sent to operator with 02/01/19 deadline.

**Comment:** Tom Aspenwall contact for Grynberg. API:25041214890000, API: 25041215850000.

# Shut-In Wells by Operator

3/28/2021  
11:05:36 AM

3117 A

Grynberg, Jack J.

Wells SI %

/ Well 2 2 100%

F1	Federal			0	0	
B1	Blanket Bond	\$10,000	\$5,000.00	2	2	100%

SI Two to Five Years	SI Five to Ten Years	SI Greater than Ten Years	Total
0	0	2	2

3117/B1 Blanket Bond

*Last Non-Zero*

3117	B1	041-21585	B. Stefl 13-1	32N-10E-13	SW NE NE	990 FNL, 990 FEL	GAS	-----
3117	B1	041-21489	Lipp 18-16	32N-11E-18	SE SE	660 FSL, 660 FEL	GAS	-----

1 Operator(s) Included in Report

## Plugging and Reclamation Bonds With Well List

<b>GRYNBERG, JACK J.</b>		<b>3117</b>	<b>Bond: B1</b>	\$10,000.00	Blanket Bond	Active	<b>Wells: 2</b>	<b>Allowed:</b>	
Certificate of Deposit	Active	FIRST INTERSTATE BANK		\$10,000.00			Approved	10/25/1989	
API #	Operator	Well		Location		Field	TD	PBTD	Status
041-21585	Grynberg, Jack J.	B. Steff 13-1	32 N 10 E 13	SW NE NE	990N 990E	Laredo	1142		SI GAS
041-21489	Grynberg, Jack J.	Lipp 18-16	32 N 11 E 18	SE SE	660S 660E	Laredo	3750		SI GAS

Comment: 054

<b>GRYNBERG, JACK J.</b>		<b>3117</b>	<b>Bond: F1</b>	Federal	Active Federal	<b>Wells: 0</b>	<b>Allowed:</b>
Other Bond		FEDERAL BOND				Approved	5/11/1989

Comment:



**2021 Overdue Injection well fees. \$200/injection well/year**

Invoice sent November 23, 2020 Payment due January 31, 2021.

Reminder letters sent February 8, 2021.

Certified letters sent March 11, 2021. All green cards returned.

**Grassy Butte**

1 well (SWD in Rosebud Co.)

**Summit Gas Resources**

7 wells (all SWD in Big Horn Co., Dietz Field)

**Require Original Signatures**

**Forms**

Organization Report / Form 1

Surety Bond / Form 3

Bonding / Form 14 (CD or Letter of Credit Bond, Assignment Agreement, & Letter of Credit)

Domestic Well Bond Lien / Form 18

Permit to Drill / Form 22

**Acceptable Fax or Email with Signature**

**Forms**

Sundry Notice / Form 2

Completion Report / Form 4

Injection Report / Form 5

Production Report / Form 6

Refiner's Report / Form 8

Water Well Release Agreement / Form 19

Change of Bonded Operator / Form 20

Public Notice for Drilling Permit / Form 22

Pit Permit / Form 23

**Other**

Bond cancellation request

Spill Report / Undesirable Incidents

**Forms to be Removed**

Monthly Gas Report / Form 9

Gasoline or Extraction Plant Report / Form 10