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## **SUMMARY PAGE**

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Docket 41-2020  
**SHOW-CAUSE HEARING**  
Continued from August 2020

**RESPONDENT: SHADWELL RESOURCES GROUP, LLC – RICHLAND COUNTY, MONTANA**

- Well remains SI.
- In December 2020 a check for \$3,937.50 was submitted to our office by Kevin Leland for partial payment of fines.
- At the February 2021 hearing, Black Gold Energy Richland Facility, Inc.'s application to transfer the plugging and reclamation responsibilities for the Velma SWD 1-10H was approved and the \$13,750 fine was reduced to \$6,875.
- Administrative approval of the change of operator has not occurred.
  - \$2,937.50 of the fine needs to be paid.
  - Bonding paperwork has not been submitted.
  - Field issues needing to be addressed.

**5-YEAR COMPLIANCE HISTORY**

- Fined six separate times for delinquent injection reporting, two of which were docketed for show-cause.
- Docketed for show cause on three separate occasions for field compliance issues.
- The Board assessed a \$2,000 fine for failure to plug a well in 2016.
- Fined four separate times for failure to appear at public hearings.

The attachments contain the Enforcement Status Report and Bond Summary Report

# Enforcement Status Report

Run Date: 3/26/2021

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## Shadwell Resources Group, LLC

1st Action: 6/4/2020

Action Required:

Closed:

### Enforcement Items:

Well Identification / Signage  
Housekeeping

Velma SWD 1-10H  
Velma SWD 1-10H

### Action:

Letter, Certified Order	3/11/2021	Show-cause notice letter sent via USPS.
Hearing	2/19/2021	Order from Feb 2021 hearing mailed.
Telephone Call - Unanswered	2/4/2021	Continue docket until fine is paid.
Other	1/26/2021	No answer, voice mailbox is full.
Other	1/15/2021	Show-cause notice letter mailed.
Other	1/8/2021	Change of Op received.
Hearing	12/23/2020	A check for \$3,937.50 was submitted to our office by Kevin Leland for partial payment.
Other	12/3/2020	Continue to Feb 2021, have CHOP submitted by Jan 7 - if approved in Feb the hearing will be held.
E-Mail	10/7/2020	Inspection confirmed field compliance - daily fine stops @ \$11,750.
Other	10/6/2020	Emailed Board Order 55-2020 to Kevin Leland. and cc'd Chris Blount.
Hearing	10/2/2020	\$500.00 daily fine began.
Telephone Call	10/1/2020	\$1,000 for failure to appear- \$500.00 fine / day - docket continued to Dec.
Telephone Call	10/1/2020	Kevin Leland cannot make the hearing or call in - busy working.
Other	10/1/2020	Chris Blount called to give update on Velma - filter socks hauled off - see transcript.
Other	10/1/2020	Daily fine is up to \$9,250.
Letter	9/29/2020	Show-cause notice for Oct 1. hearing in transit.
Telephone Call	9/9/2020	Show-cause notice for October 1 hearing sent.
Other	8/24/2020	Chris Blount called. He reported clean up is 80% complete.
Other	8/24/2020	Must have location in compliance or \$250/day.
E-Mail	8/13/2020	August order mailed.
Telephone Call	8/12/2020	Emailed copy of Order 34-2020 to Kevin and Chris.
Hearing	8/12/2020	Spoke to Chris B. will turn in spill report for May 4, 2020 spill.
Letter, Certified	8/6/2020	Continued to Oct 1 hearing.
E-Mail	7/14/2020	Show-cause notice letter for August 6, 2020 hearing sent.
	6/29/2020	Administrative Order 3-A-2020 sent to Kevin Leland.

# Enforcement Status Report

Run Date: 3/26/2021

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Penalty Type	\$ Assessed	Date	\$ Collected	Dt_Coll	Vacated	Comment:
Board Assessed	\$11,750.00	10/7/2020			<input type="checkbox"/>	
Failure to Appear	\$1,000.00	10/1/2020			<input type="checkbox"/>	
Failure to Appear	\$1,000.00	8/6/2020			<input type="checkbox"/>	

**Comment:** A recent report indicated that a spill of greater than 50 bbbls occurred on approximately May 4, 2020 at the well location referenced above and no report received and cleanup still required. It was also discovered that a bin is full of used filter socks. Weeds on location. 6/11/2020 another spill occurred, 10 bbbls not fully contained. (Secretary of State Entity Status: Inactive Revoked 2017).

Run Date	Event	Description
6/24/2020	Business Meeting	Will issue administrative order to SI well and cease all operations.
6/18/2020	E-Mail	Emailed Kevin regarding June 24th business meeting, copy of June 17 inspect
6/18/2020	Telephone Call	Chris Blount called, Kevin forwarded my email to him. Chris is working on c
6/17/2020	Other	Field visit by the Compliance Specialist - leaking tank, open containers, w
6/12/2020	Telephone Call - Uranswere	Left VM for Kevin regarding two spills/housekeeping.
6/12/2020	E-Mail	Russ Utter was notified by landowner of 6/11 spill.
6/12/2020	Telephone Call	Kevin Leland called, will be getting everything taken care of & C/O.
6/11/2020	Other	Spill of 10 bbbls oil/saltwater, not fully contained.
6/4/2020	Letter, Certified	Addressing unreported spill, weeds, filter socks.
6/4/2020	Letter, Certified	Addressing installing a well sign/clean up spill.
5/4/2020	Other	Approximate date of 50 bbl + spill, unreported.
5/1/2020	Other	Chris Blount reportedly acquired well from Shadwell.

**Plugging and Reclamation Bonds With Well List**

SHADWELL RESOURCES GROUP, LLC	687	T3	\$10,000.00	UIC Single Well Bond	Active	Wells:	I	Allowed:	I
Certificate of Deposit	Wells Fargo Bank, NA		\$10,000.00			Approved		9/4/2012	
API #	Well		Location		Field		TD	PBTD	Status
083-22531	Shadwell Resources Group, LLC	23 N 58 E 10	NW NW 350N 750W	Wildcat Richland			6000		IA SWD

Comment: To cover the Thelma 1-10H, API#25-083-22531