

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

IN THE MATTER OF SUMMIT GAS RESOURCES, INC.
FOR FAILURE TO PAY THE ANNUAL INJECTION FEE
FOR ITS SEVEN WELLS IN BIG HORN, MONTANA, IN
ACCORDANCE WITH ARM 36.22.1423

ADMINISTRATIVE ORDER 5-A-2021

Summit Gas Resources, Inc. (Summit) is the operator of seven saltwater disposal wells in Big Horn County, Montana. In accordance with ARM 36.22.1423, a \$200 annual injection fee is due for each permitted injection well.

At the April 7, 2021, business meeting, staff reported that Summit has not paid the annual injection fee that was due on January 31, 2021. Summit stated it is going through bankruptcy and is unable to pay the annual fee for its seven UIC wells. At this meeting, the Board assessed Summit a \$100 per well late fee for failure to submit its injection payment prior to the deadline. As of June 9, 2021, Summit has not paid the outstanding \$2,100 injection fee and penalty.

Staff recommended the seven UIC permits be revoked for its failure to pay the annual injection fee for its permitted injection wells and the late fee previously assessed for nonpayment.

IT IS THEREFORE ORDERED by the Board that Summit Gas Resources, Inc. appear at the Board's August 12, 2021 hearing and show cause as to why its seven injection permits for wells in Big Horn County, Montana should not be revoked.

Dated this 9th day of June, 2021

Montana Board of Oil and Gas Conservation

James W. Halvorson, Administrator