

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

IN THE MATTER OF HIGHLANDS MONTANA
CORPORATION AND ITS WELLS IN CUSTER COUNTY,
MONTANA

ADMINISTRATIVE ORDER 6-A-2021

Highlands Montana Corporation (Highlands) is the bonded operator of the following two wells and one expired permit location that are located on state lands in Section 16, T5N-52E, Custer County Montana.

- Helios 5-52 16-22, API # 25-017-21177, status: shut in
- Helios 5-52 16-32, API # 25-017-21178, status: plugged and abandoned, unapproved for release
- Helios 5-52 16-21, API # 25-017-21179, status: expired permit; location built

The Helios 5-52 16-22 well was drilled and completed as an Eagle gas well in 2016. The last reported non-zero production was in October 2018. There is an open drilling pit and evaporation pit associated with the well that need to be closed.

The Helios 5-52 16-21 is an expired permit to drill a saltwater disposal well. The well was never drilled but the surface location was built and requires reclamation.

The Helios 5-52 16-32 (25-017-21178) well was drilled and plugged in 2016. Board staff has made multiple requests for missing well data required by ARM 36.22.1013 with no response from Highlands.

In 2019, the company was contacted and Highlands stated that they planned to reclaim the location of the Helios 5-52 16-21 and plug the Helios 5-52 16-22. The work was never done, and Highlands was sent a certified letter and email in November 2020 explaining the compliance issues. Highlands responded in November 2020 that it planned to either sell or plug and reclaim the locations in the summer of 2021.

In April 2021, a letter was sent to Highlands requesting a sundry notice with its abandonment plans for the Helios 5-52 16-22 well and its reclamation plans for the Helios 5-52 16-21 well location. Included in the letter was a request that Highlands respond prior to the Board's June business meeting. No response was received.

IT IS THEREFORE ORDERED by the Board that Highlands must show cause at the August 12, 2021, public hearing for why it should not begin to restore the location of the Helios 5-52 16-21 well, file missing completion data for the Helios 5-52 16-32 well, and begin to plug and abandon the Helios 5-52 16-22.

Dated this 9th day of June, 2021

Montana Board of Oil and Gas Conservation

James W. Halvorson, Administrator