ORDER 57-2021

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3 AND 10, T27N-R57E AND ALL OF SECTION 34, T28N-R57E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION. APPLICANT FURTHER REQUESTS THAT BOARD ORDER 39-2018 BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE DORIS 10-3 #1H WELL. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

Docket No. 66-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
- 2. Uriah Price, attorney, Justin Payne, landman, and Matt Luna, vice president of development, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
- 3. Sections 3 and 10, T27N-R57E, were designated a permanent spacing unit by Order 38-2018, and Bakken/Three Forks interests within the spacing unit were pooled by Order 39-2018.
- 4. Kraken is the majority working interest owner in Section 34, T28N-R57E, the majority interest owner in the permanent spacing unit comprised of Sections 3 and 10, T27N-R57E, and the operator of the Doris 10-3 #1H well.
- 5. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met. Order

IT IS THEREFORE ORDERED by the Board that all of Sections 3 and 10, T27N-R57E and all of Section 34, T28N-R57E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within 90 days of successful completion of the proposed well.

IT IS FURTHER ORDERED that the spacing unit established by Board Order 38-2018 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of the Doris 10-3 #1H well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of August, 2021.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mar MaDamarth Daniel Manillan
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO TWO ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3 AND 10, T27N-R57E AND ALL OF SECTION 34, T28N-R57E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELLS.

ORDER 58-2021

Docket No. 67-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
- 2. Uriah Price, attorney, Justin Payne, landman, and Matt Luna, vice president of development, appeared on behalf of Kraken Oil & Gas LLC.
- 3. The lands described in the caption were designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 57-2021.
- 4. Evidence presented at the time of the hearing supports the drilling of up to two additional horizontal Bakken/Three Forks interval wells in Sections 3 and 10, T27N-R57E and all of Section 34, T28N-R57E, Roosevelt County, Montana.
- 5. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken Oil & Gas LLC is authorized to drill up to two additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 3 and 10, T27N-R57E and all of Section 34, T28N-R57E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of August, 2021.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

UPON THE APPLICATION OF LONEWOLF OPERATING, LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE E½NE¼SW¼ AND W½NW¼SE¼ OF SECTION 32, T35N-R21E, BLAINE COUNTY, MONTANA, TO DRILL A SAWTOOTH FORMATION TEST WELL AT ANY LOCATION NOT CLOSER THAN 330' FROM THE EXTERIOR BOUNDARIES THEREOF, AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER 59-2021

Docket No. 41-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
- 2. Don Lee, attorney, and Trent Sizemore, landman and general manager, appeared on behalf of Lonewolf Operating, LLC.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the E½NE¼SW¼ and W½NW¼SE¼ of Section 32, T35N-R21E, Blaine County, Montana, is designated a temporary spacing unit to drill a Sawtooth Formation test well at any location but not closer than 330' to the exterior boundaries thereof, as an exception to A.R.M. 36.22.702.

IT IS FURTHER ORDERED that the temporary spacing unit created by this order will terminate if the drilling of the test well is unsuccessful.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

UPON THE APPLICATION OF LONEWOLF OPERATING, LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE SW¼SW¼SE¼ AND SE¼SE¼SW¼ OF SECTION 31, T35N-R21E, AND THE NW¼NW¼NE¼ AND NE¼NE¼NW¼ OF SECTION 6, T34N-R21E, BLAINE COUNTY, MONTANA, TO DRILL A SAWTOOTH FORMATION TEST WELL AT ANY LOCATION NOT CLOSER THAN 330' FROM THE EXTERIOR BOUNDARIES THEREOF, AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER 60-2021

Docket No. 42-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
- 2. Don Lee, attorney, and Trent Sizemore, landman and general manager, appeared on behalf of Lonewolf Operating, LLC.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the SW¼SW¼SE¼ and SE¼SE¼SW¼ of Section 31, T35N-R21E, and the NW¼NW¼NE¼ and NE¼NE¼NW¼ of Section 6, T34N-R21E, Blaine County, Montana, is designated a temporary spacing unit to drill a Sawtooth Formation test well at any location but not closer than 330' to the exterior boundaries thereof, as an exception to A.R.M. 36.22.702.

IT IS FURTHER ORDERED that the temporary spacing unit created by this order will terminate if the drilling of the test well is unsuccessful.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
TTEST:	
ennifer Breton, Program Specialist	

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 48 WELLS IN YELLOWSTONE COUNTY, MONTANA, IDENTIFIED IN THE APPLICATION FROM WESTERN MEADOWLARK RESOURCES, LLC TO CLAY'S CONSULTING, LLC AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA.

ORDER 61-2021

Docket No. 68-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
- 2. Uriah Price, attorney, and Clayton Giesick, president, appeared on behalf of Clay's Consulting, LLC (Clay's Consulting).
- 3. The Board and its staff reviewed Clay's Consulting's change of operator request from Western Meadowlark Resources, LLC.
- 4. Clay's Consulting proposed the equivalent bonding as the current operator. A \$50,000 multiple well plugging and reclamation bond that would cover 47 wells, which includes 22 producing wells and 25 shut-in wells. A \$10,000 UIC plugging and reclamation bond that would cover one injection well.
- 5. The Board determined that Clay's Consulting proposed plugging and reclamation bonds are adequate and in accordance with ARM 36.22.1308(3).
- 6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that staff may proceed with administrative review and approval of the change of operator request.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12^{th} day of August, 2021.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

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 7 WELLS IN RICHLAND COUNTY, 2 WELLS IN ROOSEVELT COUNTY, 8 WELLS IN SHERIDAN COUNTY, AND ONE WELL IS WIBAUX COUNTY, MONTANA, IDENTIFIED IN THE APPLICATION FROM ABRAXAS PETROLEUM CORPORATION TO DIGITAL OPERATING COMPANY LLC AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA.

ORDER 62-2021

Docket No. 49-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
- 2. Don Lee, attorney, and Fred Soliz, petroleum engineer, appeared on behalf of Digital Operating Company LLC (Digital Operating).
- 3. The Board and its staff reviewed Digital Operating's change of operator request from Abraxas Petroleum Corporation.
- 4. Digital Operating proposed the equivalent bonding as the current operator. A \$50,000 multiple well plugging and reclamation bond that would cover 17 wells, which includes 8 producing wells and 9 shut-in wells. A \$10,000 UIC plugging and reclamation bond that would cover one injection well. Three wells on Abraxas Petroleum Corporation's \$50,000 multiple well bond are not being included in the transfer, which will increase the per-well bonding level for the wells transferred to Digital Operating.
- 5. The Board determined that Digital Operating's proposed plugging and reclamation bonds are adequate and in accordance with ARM 36.22.1308(3).
- 6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that staff may proceed with administrative review and approval of the change of operator request.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of August, 2021.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE BRAINSTORM ENERGY, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING. IN ACCORDANCE WITH BOARD POLICY THE AMOUNT DUE NOW IS \$440.00. THIS DOCKET WILL BE DISMISSED IF PAYMENT IS RECEIVED PRIOR TO THE HEARING. FAILURE TO APPEAR AT THE SHOW CAUSE HEARING OR TO MAKE SUITABLE ARRANGEMENTS PRIOR TO SAID HEARING SUBJECTS BRAINSTORM ENERGY, INC. TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 63-2021

Docket No. 69-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Brainstorm Energy, Inc. (Brainstorm).
- 3. Prior to the hearing, delinquent production reports were submitted through June 2021 and half of the outstanding fine of \$440 was paid.
- 4. Adam Standiford, president of Brainstorm, submitted a letter requesting the Board to waive half of the delinquent reporting fine due to a medical issue which prevented him from receiving the delinquent reporting notice prior to the reporting deadline.
- 5. In the last five years, Brainstorm was fined two other times for delinquent reporting, one of which was docketed for show cause.
- 6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that the remaining \$220 fine is waived.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12^{th} day of August, 2021.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE AMERICAN MIDWEST OIL & GAS CORP. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO FILE PRODUCTION REPORTS AND TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING. IN ACCORDANCE WITH BOARD POLICY THE AMOUNT DUE NOW IS \$220.00. THIS DOCKET WILL BE DISMISSED IF PAYMENT AND REPORTS ARE RECEIVED PRIOR TO THE HEARING. FAILURE TO APPEAR AT THE SHOW CAUSE HEARING OR TO MAKE SUITABLE ARRANGEMENTS PRIOR TO SAID HEARING SUBJECTS AMERICAN MIDWEST OIL & GAS CORP. TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 64-2021

Docket No. 70-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of American Midwest Oil & Gas Corp (American Midwest).
- 3. American Midwest filed the delinquent production reports prior to this hearing but has not paid the outstanding fine of \$220.
- 4. Eric Johnson submitted a letter prior to the hearing. The letter stated that he filed the reports when made aware of the delinquency, but that he is not in involved with American Midwest other than trying to close out old business. Mr. Johnson further stated that American Midwest had no officers, directors, or employees, and is deeply in debt. Mr. Johnson requested that the fine be waived.
- 5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that American Midwest is fined \$1,000 for failure to appear at the August 12, 2021, public hearing.

IT IS FUTHER ORDERED that American Midwest must show cause at the October 14, 2021, public hearing for why it should not immediately plug and abandon its non-producing wells in Toole County, Montana.

IT IS FURTHER ORDERED that the request to waive the \$220 fine is denied.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12^{th} day of August, 2021.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE LYON, JOHN J. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE CONSIDERED FOR FAILURE TO COMPLY WITH BOARD RULES.

ORDER 65-2021

Docket No. 71-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Mac McDermott recused himself and took no part in this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. Don Lee, attorney, and Joanna Lyon appeared on behalf of Lyon, John J (Lyon).
- 3. Lyon is trying to sell its wells and has potential buyers. Lyon is also in the process of reinstating company registration with the Montana Secretary of State. Lyon requested additional time to come into compliance.
 - 4. Staff recommended that the docket be dismissed and will continue to monitor Lyon.
- 5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Docket 71-2021 is dismissed.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member (recused)
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE SUMMIT GAS RESOURCES, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY FURTHER PENALTIES, WHICH COULD INCLUDE REVOCATION OF THE INJECTION PERMITS, SHOULD NOT BE IMPOSED FOR FAILURE TO PAY THE ANNUAL INJECTION WELL OPERATING FEE AND ASSOCIATED FINES, FOR THE SEVEN INJECTION WELLS IT OPERATES IN BIG HORN COUNTY.

ORDER 66-2021

Docket No. 72-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. Pete Schoonmaker, president and CEO, appeared as a witness for Summit Gas Resources, Inc. (Summit).
- 3. Summit has not paid the outstanding fee in the amount of \$2,100. This includes the annual \$200 injection fee due for each of its seven permitted injection wells and the \$100 per well late fee for failure to submit its injection payment prior to the deadline.
 - 4. Summit has filed for bankruptcy.
 - 5. Staff recommended the seven UIC permits be revoked.
- 6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Summit's seven injection permits for its wells in Big Horn County, Montana are revoked.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
TTEST:	
ennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE HIGHLANDS MONTANA CORPORATION TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, 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 WELL.

ORDER 67-2021

Docket No. 73-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Highlands Montana Corporation (Highlands).
- 3. Highlands' compliance contractor, MBU Corporate Finance Limited, submitted a letter requesting a 15-day extension to allow it to assess its Helios assets, after which it would ensure all associated obligations are met.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Highlands must file the missing completion data for the Helios 5-52 16-32 well, submit plans for plugging the Helios 5-52 16-22 well and the restoration of the location of the Helios 5-52 16-21 well by October 14, 2021. Highlands is subject to a \$250 fine for each day after October 14, 2021, that the violations remain unaddressed.

IT IS FURTHER ORDERED that Highlands is fined \$1,000 for failure to appear at the August 12, 2021, public hearing.

IT IS FURTHER ORDERED by the Board that Docket 73-2021 is continued until the October 14, 2021, public hearing.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
TTEST:	
ennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE ANG HOLDING (USA) CORP. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT BEGIN TO PLUG AND ABANDON ITS WELLS IN BLAINE COUNTY, MONTANA PRIOR TO THE AUGUST 12, 2021, PUBLIC HEARING. FAILURE TO BEGIN TO PLUG AND ABANDON THE WELLS MAY RESULT IN ADDITIONAL PENALTIES OR THE FORFEITURE OF THE PLUGGING AND RECLAMATION BOND IN ITS ENTIRETY, AS PERMITTED BY § 82-11- 123(5), MCA.

ORDER 68-2021

Docket No. 74-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of ANG Holding (USA) Corp. (ANG).
 - 3. Charles Selby contacted staff prior to the hearing and stated that it no longer operates wells in Montana.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that the plugging and reclamation bond for ANG Holding (USA) Corp. is hereby forfeited.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
TTEST:	
ennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE PAMECT OIL, KEITH E. TYNER DBA AND LOWRANCE-TYNER OPERATING TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE ASSESSED FOR FAILURE TO FILE DELINQUENT PRODUCTION AND INJECTION REPORTS, FAILURE TO PAY THE PENALTY ASSESSED TO PAMECT FOR DELINQUENT REPORTING IN THE AMOUNT OF \$240, AND FOR FAILURE TO PAY THE OUTSTANDING \$200 ANNUAL INJECTION WELL FEE FOR BOTH COMPANIES.

ORDER 69-2021

Docket No. 75-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
- 2. No one appeared on behalf of Pamect Oil, Keith E. Tyner Dba (Pamect) and Lowrance-Tyner Operating (Lowrance-Tyner).
 - 3. Jessica Tyner, an heir of Keith Tyner, notified staff that she is no longer involved in the estate.
 - 4. Staff recommended Pamect and Lowrance-Tyner additional time to come into compliance.
- 5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Pamect and Lowrance-Tyner is fined \$1,000 for failure to appear at the August 12, 2021, public hearing.

IT IS FURTHER ORDERED by the Board that Docket 75-2021 is continued until the October 14, 2021, public hearing.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
TTEST:	
ennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE KYKUIT RESOURCES, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE APPLIED FOR FAILURE TO SUBMIT PRODUCTION REPORTS, FAILURE TO PAY THE OUTSTANDING FINE, FAILURE TO APPEAR AT THE FEBRUARY 4, 2021, APRIL 8, 2021, AND JUNE 10, 2021, PUBLIC HEARINGS AND FAILURE TO PROVIDE A PLAN FOR REDUCING ITS PLUGGING LIABILITY RELATED TO ITS NONPRODUCING WELLS.

ORDER 70-2021

Docket No. 76-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Kykuit Resources, LLC (Kykuit).
- 3. Kykuit has an outstanding fine in the amount of \$3,940. This fine amount includes \$940 for delinquent reporting and \$3,000 fine for failure to appear at the February 4, 2021, April 8, 2021, and June 10, 2021, public hearings.
 - 4. Kykuit remains delinquent on production reports.
 - 5. The certified notice of this hearing was received by Kykuit on July 20, 2021.
- 6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kykuit is fined \$1,000 for failure to appear at the August 12, 2021, public hearing.

IT IS FURTHER ORDERED that Kykuit must show cause at the October 14, 2021, public hearing as to why it should not immediately plug and abandon its wells that are not capable of production.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of August, 2021.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE ZEIDERS BROS. OIL & GAS, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT IMMEDIATELY PLUG AND ABANDON ITS RUDOLPH HAYNIE 1-5 WELL, API # 25-055-21207, LOCATED IN THE SE¼NE¼ OF SECTION 5, T22N-R47E, MCCONE COUNTY, MONTANA BEFORE THE OCTOBER 1, 2020, PUBLIC HEARING AND PAY THE OUTSTANDING FINE IN THE AMOUNT OF \$10,500, AS REQUIRED BY BOARD ORDER 3-2020, AND FOR FAILURE TO PAY THE \$1,000 FINE ASSESSED FOR NOT APPEARING AT THE DECEMBER 3, 2020, PUBLIC HEARING.

ORDER 71-2021

Docket No. 52-2020

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Zeiders Bros. Oil & Gas, LLC (Zeiders).
- 3. Zeiders emailed staff prior to the hearing stating that Hohn Engineering was given approval to commence plugging the Rudolph Haynie 1-5 well and believed it would be plugged in the next 30 days and reclaimed in the next 60 days.
- 4. Zeiders has an outstanding fine in the amount of \$11,500. This fine amount includes an \$8,500 balance from a daily fine that has been stopped and \$3,000 fine for failure to appear at the October 10, 2019, December 5, 2019, and December 3, 2020, public hearings.
- 5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board that Zeiders is fined \$1,000 for failure to appear at the August 12, 2021, public hearing.

IT IS FURTHER ORDERED by the Board that Docket 52-2020 is continued until the October 14, 2021, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of August, 2021.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE FORWARD ENERGY, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY THEY SHOULD NOT BE REQUIRED TO PROVIDE A PLAN AND TIMELINE FOR THE PLUGGING AND ABANDONMENT OF ITS WELLS IN YELLOWSTONE COUNTY, MONTANA.

ORDER 72-2021

Docket No. 32-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Forward Energy, LLC (Forward).
 - 3. Forward Energy requested additional time to come into compliance.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS FURTHER ORDERED by the Board that Docket 32-2021 is continued until the October 14, 2021, public hearing.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Steven Burrett, vice-Chairman
	Paul Gatzemeier, Board Member
	,
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
ennifer Breton, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE ROLAND OIL AND GAS TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY THEY SHOULD NOT BE REQUIRED TO PROVIDE A PLAN AND TIMELINE FOR THE PLUGGING AND ABANDONMENT OF ITS WELLS IN GLACIER AND PONDERA COUNTIES, MONTANA.

ORDER 73-2021

Docket No. 37-2021

Report of the Board

The above entitled cause came on regularly for hearing on August 12, 2021, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Roland Oil and Gas (Roland).
 - 3. Production reports were submitted through April 2021. No subsequent reports were received.
- 4. Roland has an outstanding fine of \$2,400. This fine amount includes a \$400 penalty for delinquent reporting and \$2,000 for failure to appear at the August 6, 2020 and December 3, 2020, public hearings.
- 5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Roland must show cause at the October 14, 2021, public hearing for why it should not immediately plug and abandon its wells Glacier and Pondera Counties, Montana.

	Roy Brown, Chairman
	Steven Durrett, Vice-Chairman
	Paul Gatzemeier, Board Member
	Mac McDermott, Board Member
	Joseph Michael Weber, Board Member
	Corey Welter, Board Member
	Jeff Wivholm, Board Member
ATTEST:	
Jennifer Breton, Program Specialist	