# BEFORE THE BOARD OF OIL AND GAS CONSERVATION

## OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION	,
OF EMPIRE NORTH DAKOTA LLC FOR	)
AN ORDER POOLING ALL INTERESTS	)
IN THE PERMANENT SPACING UNIT	) APPLICATION
CONSISTING OF THE S½NW¼ AND N½SW¼	)
OF SECTION 13, TOWNSHIP 24 NORTH,	)
RANGE 58 EAST, RICHLAND COUNTY,	) DOCKET NO. 45 -2021
AND IMPOSING THE NON-JOINDER RISK	)
PENALTIES AUTHORIZED PURSUANT TO	)
SECTION 82-11-202(2), MONTANA CODE	)
ANNOTATED.	)
* * * * * * * * * * * * * * * * * * *	*****

EMPIRE NORTH DAKOTA LLC ("Applicant"), 2200 South Utica Place, Suite 150, Tulsa, Oklahoma 74114, presents the following Application:

1. Applicant is the owner of oil and gas leasehold interests in, to and under the following described lands:

Township 24 North, Range 58 East, MPM Section 13: N½SW¼
Containing 80.00 acres
Richland County, Montana

- 2. Applicant is the owner and Operator of the Ullman No. 2 Duperow Formation oil well located within and upon the SW¼NW¼ of Section 13 described above.
- 3. Board Order No. 72-99 designated the S½NW¼ and N½SW¼ of Section 13 described above as a one hundred sixty (160) acre permanent spacing unit for the Duperow Formation and designated the Ullman No. 2 oil well within said permanent spacing unit as the permitted well therefore.
- 4. As of the date of this Application Applicant has been unable to establish voluntary pooling of all interests within the above permanent spacing unit and it is anticipated such voluntary pooling cannot be consummated prior to the hearing of this Application.
- 5. In the absence of voluntary pooling of all interests within the foregoing permanent spacing unit Applicant requests an Order from this Board pooling all interests in said spacing unit for the production of Duperow Formation oil from the foregoing well.



- 6. Applicant requests the proposed Order be based upon a surface acre participation basis, the factor allocating participation and production proceeds being the ratio of the surface acreage in each separate tract in the one hundred sixty (160) acre pooled area.
- 7. Applicant is of the opinion that pooling on surface acreage participation is just and reasonable and will afford the owner or owners of each separate tract in the permanent spacing unit the opportunity to recover or receive without unnecessary expense his/her/its just and equitable share of the crude oil produced and sold from the foregoing well and permanent spacing unit.
- 8. In the absence of voluntary pooling of all interests within the foregoing permanent spacing unit Applicant requests an Order from this Board pooling all such interests for the development, operation and production of Duperow Formation oil from the Ullman No. 2 well and the imposition of non-joinder risk penalties authorized by Section 82-11-202(2), Montana Code Annotated.
- 9. Applicant believes that approval and granting of the request herein will be in the best interests of prevention of waste of Duperow Formation oil and the conservation thereof and will not adversely affect the correlative rights of any party.

WHEREFORE, Applicant requests the following:

- 1. This matter be set for hearing with notice given as required by law;
- 2. After hearing this matter the Board enter its Order granting and approving the request of Applicant herein; and
- 3. For such other or additional relief as the Board may deem appropriate.

Dated June 29, 2021,

EMPIRE NORTH DAKOTA LLC

Don R. Lee

Lee Law Office PC

158 Main Street - P.O. Box 790

Shelby, MT 59474

Telephone: (406) 434-5244 Facsimile: (406) 434-5246 don@leelawofficepc.com

Attorney for Applicant

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER CREATING AN OVERLAPPING TEMPORARY SPACING UNIT ("OTSU") COMPRISED OF ALL OF SECTIONS 3 AND 10, TOWNSHIP 27 NORTH, RANGE 57 EAST, M.P.M., TOGETHER WITH ALL OF SECTION 34, TOWNSHIP 28 NORTH, RANGE 57 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK)/500' (LATERAL SETBACK) TO THE BOUNDARIES OF SAID OTSU, CLARIFYING MBOGC ORDER NO. 39-2018, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 1010-2021

APPLICATION

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KRAKEN OIL & GAS LLC, 9805 Katy Freeway, Suite 300, Houston, Texas 77024

#### [A] Presents the following application:

- 1. Applicant is an interest owner within all or portions of Sections 3 and 10, Township 27 North, Range 57 East, M.P.M., and Section 34, Township 28 North, Range 57 East, M.P.M., Roosevelt County, Montana, and operates the Doris 10-3 #1H well in the PSU comprised of All of Sections 3 and 10, Township 27 North, Range 57 East, M.P.M. Said Sections 3 and 10 are presently subject to MBOGC Order Nos. 38-2018 and 39-2018, while said Section 34 is subject to MBOGC Order No. 380-2011.
- 2. To more efficiently and economically recover Bakken/Three Forks formation reserves underlying the captioned lands, Applicant proposes to drill a horizontal Bakken/Three Forks formation well at a location within, but not closer than 200' (heel/toe setback)/500' (lateral setback) to the exterior boundaries of, an OTSU comprised of All of Sections 3 and 10, Township 27 North, Range 57 East, M.P.M., and Section 34, Township 28 North, Range 57 East, M.P.M. To preserve the correlative rights of all interest owners in said Sections 3 and 10, MBOGC Order No. 39-2018 should 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.
- 3. Applicant will, within 90 days of successful completion of the proposed horizontal operation, file an application for Board consideration of permanent spacing and other matters relating to production from said well.

### [B] Requests:

- 1. This matter be set for hearing, with notice given as required by law and the MOU;
- 2. After hearing the matter, the Board enter its order creating an OTSU comprised of All of Sections 3 and 10, Township 27 North, Range 57 East, M.P.M., and Section 34, Township 28 North, Range 57 East, M.P.M., and authorizing the drilling of a horizontal Bakken/Three Forks formation well at any location within such OTSU but not closer than 200' (heel/toe setback)/500' (lateral setback) to the exterior boundaries thereof, providing that operations for the drilling of such well must be commenced within one year from the date of such order, amending MBOGC Order No. 39-2018 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, and providing that the OTSU shall be limited to production from the proposed horizontal well.



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DATED this 30th day of June, 2021.

KRAKEN OIL & GAS LLC

Ву

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

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JUL 0 6 2021

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

IN THE MATTER OF THE APPLICATION OF KRAKEN OIL & GAS LLC FOR AN ORDER AUTHORIZING THE DRILLING OF UP TO TWO ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE OVERLAPPING TEMPORARY SPACING UNIT ("OTSU") COMPRISED OF ALL OF SECTIONS 3 AND 10, TOWNSHIP 27 NORTH, RANGE 57 EAST, M.P.M., TOGETHER WITH ALL OF SECTION 34, TOWNSHIP 28 NORTH, RANGE 57 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, AT ANY LOCATIONS NOT CLOSER THAN 200' (HEEL/TOE SETBACK)/500' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

MBOGC DOCKET NO. 67-2021

**APPLICATION** 

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KRAKEN OIL & GAS LLC, 9805 Katy Freeway, Suite 300, Houston, Texas 77024:

### [A] Presents the following application:

- 1. Applicant is an interest owner and operator within all or portions of Sections 3 and 10, Township 27 North, Range 57 East, M.P.M., and Section 34, Township 28 North, Range 57 East, M.P.M., Roosevelt County, Montana. It is anticipated that said lands will comprise an overlapping temporary spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. \_\_-2021.
- 2. Applicant requests authority to drill up to two additional horizontal Bakken/Three Forks formation wells within said OTSU, at any locations not closer than 200' (heel/toe setback)/500' (lateral setback) to the exterior boundaries thereof, if in its judgment as operator of the OTSU such operations appear reasonable and prudent.

#### [B] Requests:

- 1. This matter be set for hearing and placed on the Default Docket, with notice given as required by law and the MOU;
- 2. After hearing the matter, the Board enter its order authorizing the Applicant to drill up to two additional horizontal Bakken/Three Forks formation wells at any locations within, but not closer than 200' (heel/toe setback)/500' (lateral setback) to the exterior boundaries of, the OTSU within all or portions of Sections 3 and 10, Township 27 North, Range 57 East, M.P.M., and Section 34, Township 28 North, Range 57 East, M.P.M., Roosevelt County, Montana, and providing that the OTSU shall be limited to production from the proposed horizontal wells.

DATED this 30th day of June, 2021.

KRAKEN OIL & GAS LLC

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

By

Billings, MT 59103-2529

Email: jlee@crowleyfleck.com

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JUL 0 6 2021

#### SUBMIT IN QUADRUPLICATE TO

ARM 36.22.307

# MONTANA BOARD OF OIL AND GAS CONSERVATION CELVED: 1308 2535 ST. JOHNS AVENUE BILLINGS, MONTANA 59102 JUL 0 6 2021

**Notice of Intent to Change Operator** 

The undersigned Transferor hereby notifies the Board of Oil and Gas Consentation A BOARD OF OIL & its intention to transfer ownership and/or operation of the following wells to the undersigned Nearstand N . BILLINGS

Lease Name: SEE EXHIBIT "A" ATTACHED HERETO	Lease type:(Private, State, Federal, Indian) PRIVATE
County: YELLOWSTONE	Field name: MOSSER DOME
Description of wells: Include API well number, well name and number, are quarter and footage measurements, and lease type. (Federal, Indian, Programments)	nd exact location of the well including Township, Range, Section, quarter-rivate, State) Attach additional sheets as necessary.
SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REF PURPOSES	ERENCE INCORPORATED HEREIN FOR ALL
Number of Wells to be Transferred: 47	Effective Date of Transfer:
Trumber of Wells to be Transletted. 47	Chective Date of Transfer.
Transferor's Statement:  I hereby designate the Transferee named herein as the owner and/or operator of record of the above described well(s). I acknowledge that the Transferor continues to be responsible for said well(s) and all associated equipment and facilities until such time as this transfer is approved by the Montana Board of Oil and Gas Conservation. I certify that the information contained herein is true and correct:	Transferee's Statement:  I hereby accept the designation of operator/owner for the above described well(s). I understand that this transfer will not be approved until the Transferee has complied with the part bonding requirements. I acknowledge that under Section 82-11-101 MCA, the Transferee herein is responsible for the costs of proper plugging and restoration of the surface of the well(s) described above. I certify that the information contained herein is true and correct:
Company WESTERN MEADOWLARK RESOURCES, LLC	Company CLAY'S CONSULTING, LLC
Street Address 7112 MOSSER DOME ROAD	Street Address 361 N. SILVERTIP ROAD
P.O. Box	P.O. Box
City, State, ZIP LAUREL, MONTANA 59044	City, State, ZIA BRIDGER, MONTANA 59014
Signed Charle Ba	Signed Way 9 Tellin
Print Name CHAD BROWNSTEIN	Print Name CLAYTON GIESICK
Title MANAGER OF MANAGING MEMBER	Title MANAGER AND PRESIDENT
Telephone ( 406 ) 239-5500	Telephone ( 406 ) 425-0280
Date MAY 2021	Date MAY. 2021
BOARD U	JSE ONLY
ApprovedDate	Field Office Review Date Initial  Inspection Records Review
Name Title	Operations
Oper, No. 950 Bond No. MI	Oper No. Band No.

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API Number	Lease Name	Well Number	TWN, RGE, SEC	QTR QTR	FOOTAGE	LEASE TYPE
1 25-111-21209-0000	1646	Rawhouser 1	35,24E,23	NW NW NE	330' FNL & 2439' FEL	Private
2 25-111-21217-0000	1646	Mosser 16	3S,24E,26	SW SW NE	2315' FNL & 2540' FEL	Private
3 25-111-21219-0000	1646	Mosser 15	3S,24E,26	SW NE	1855' FNL & 2505' FEL	Private
4 25-111-05007-0000	2090	Alfred Spaeth 3	3S,24E,26	NE NE SW	2880' FNL & 3123' FEL	Private
5 25-111-05010-0000	2090	Alfred Spaeth 4	3S,24E,26	NE NE SW	2880' FNL & 2773' FEL	Private
6 25-111-05012-0000	1279	Kelly 1	3S,24E,26	SE SE NW	2440' FNL & 2420' FWL	Private
7 25-111-05013-0000	2090	Webber-Spaeth 2	3S,24E,26	NW NW SE	2420' FSL & 2420' FEL	Private
8 25-111-05015-0000	1279	Kelly 2	3S,24E,26	SE SE NW	1980' FNL & 2420' FWL	Private
9 25-111-05018-0000	1279	Tarrant Keily 1	3S,24E,26	SE SE NW	2440' FNL & 2440' FWL	Private
10 25-111-05019-0000	1646	J. H. Mosser 2	35,24E,26	SW SW NE	2420' FNL & 2310' FEL	Private
11 25-111-05023-0000	1646	Mosser 5	3S,24E,26	NW SW NE	1710' FNL & 2310' FEL	Private
12 25-111-05024-0000	1646	Mosser 2	35,24E,26	NW SW NE	1430' FNL & 2310' FEL	Private
13 25-111-06252-0000	1646	J. H. Mosser 1	35,24E,26	SW SW NE	2200' FNL & 2420' FEL	Private
14 25-111-06253-0000	1646	Mosser 1	3S,24E,26	SW NE	1985' FNL & 2410' FEL	Private
15 25-111-21042-0000	1646	Mosser 6	35,24E,26	SW SW NE	2375' FNL & 2290' FEL	Private
16 25-111-21053-0000	2090	Spaeth-Mosser 7	35,24E,26	NW NW SE	2135' FSL & 2445' FEL	Private
17 25-111-21137-0000	1646	Mosser 8	3S,24E,26	NW SW NE	1880' FNL & 2220' FEL	Private
18 25-111-21139-0000	2090	Spaeth 8	3S,24E,26	NW NW SE	2705' FNL & 2389' FEL	Private
19 25-111-21142-0000	1279	Kelly 3	3S,24E,26	NE SE NW	1475' FNL & 2745' FEL	Private
20 25-111-21147-0000	1646	Mosser 9	35,24E,26	SW SW NE	2170' FNL & 2265' FEL	Private
21 25-111-21150-0000	1646	Mosser 10	35,24E,26	NW SW NE	1512' FNL & 2174' FEL	Private
22 25-111-21159-0000	2090	Spaeth 9	35,24E,26	NW NW SE	2748' FNL & 2610' FEL	Private
23 25-111-21161-0000	1646	Marie Mosser 11	3S,24E,26	S2 N2	2109' FNL & 2606' FEL	Private
24 25-111-21165-0000	1279	Kelly 4	3S,24E,26	SE SE NW	2531' FNL & 2680' FEL	Private
25 25-111-21166-0000	1646	Mosser 12	3S,24E,26	NW SW NE	1692' FNL & 2190' FEL	Private
26 25-111-21183-0000	2090	Spaeth 10	35,24E,26	NE NE SW	3041' FNL & 2713' FEL	Private
27 25-111-21239-0000	2090	West-Spaeth 1	3S,24E,26	NE SW	2705' FNL & 2968' FEL	Private
28 25-111-21240-0000	2090	South-Spaeth 1	35,24E,26	NE SW	3362' FNL & 2790' FEL	Private
29 25-111-21241-0000	1279	West-Kelly 1-8	3S,24E,26	SE NW	1710' FNL & 2281' FWL	Private
30 25-111-21242-0000	1646	East Mosser 1	3S,24E,26	SW NE	1574' FNL & 2604' FEL	Private
31 25-111-21243-0000	1646	Can Am East Mosser 2	3S,24E,26	NW SW NE	1699' FNL & 2639' FEL	Private
32 25-111-21244-0000	1279	Can Am West Kelly 5	3S,24E,26	SE NW	2416' FNL & 2180' FWL	Private
33 25-111-21245-0000	2090	Can Am South-Spaeth 3	3S,24E,26	NE SW	3945' FNL & 3335' FEL	Private
34 25-111-21253-0000	1279	Kelly North Mosser 1	3S,24E,26	SE NE NW	697' FNL & 2326' FWL	Private
35 25-111-21256-0000	1279	West Mosser 2	3S,24E,26	NW SW	2755' FNL & 609' FWL	Private
36 25-111-21257-0000	1279	Can Am West Kelly 3	35,24E,26	SE NW	2549' FNL & 2579' FWL	Private
37 25-111-21265-0000	1646	CH Mosser 18	3S,24E,26	NW SW NE	1656' FNL & 2491' FEL	Private
38 25-111-21266-0000	1646	BBR Mosser 17	3S,24E,26	SW NE	1879' FNL & 2380' FEL	Private
39 25-111-21267-0000	1646	JC Mosser 19	3S,24E,26	NW SW NE	1523' FNL & 2507' FEL	Private
40 25-111-21268-0000	2090	Spaeth 11	3S,24E,26	NE NE SW	2934' FNL & 2891' FEL	Private
41 25-111-21269-0000	1279	Kelly 6	3S,24E,26	SE SE NW	2084' FNL & 2766' FEL	Private
42 25-111-21270-0000	1279	Kelly 7	35,24E,26	NE SE NW	1743' FNL & 2805' FEL	Private
43 25-111-60011-0000	1279	Kelly 3	3S,24E,26	NW SE NW	1650' FNL & 1650' FWL	Private
44 25-111-21263-0000	6756	Barber Price 8-1	3S,25E,8	NN NN	330' FNL & 330' FWL	Private
45 25-111-21260-0000	6757	Hart-Price 5-1	3S,25E,5	SW SW	330' FSL & 330' FWL	Private
46 25-111-21055-0000	92/9	Barber 5-8	3S,25E,8	NE SW NW	1700' FNL & 990' FWL	Private
47 25-111-21063-0000	6757	Hart 8-7	3S,25E,7	W2 SE NE	1980' FNL & 990' FEL	Private