

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

IN THE MATTER OF SDOCO, LLC AND ITS FAILURE TO
PROPERLY MAINTAIN FOUR WELLSITES IN MCCONE
COUNTY, MONTANA.

ADMINISTRATIVE ORDER 9-A-2021

SDOCO, LLC (SDOCO) is the bonded operator of nineteen wells. The following four wells have compliance issues.

- **BN 11-15**, API # 25-055-21070, located in the NW¼NW¼ of Section 15, T22N-47E, McCone County, Montana has a rusty and leaking tank battery transfer line. It is estimated that five barrels of oil/produced water has been released. Additionally, this location needs vegetation control.
- **Lundblad 1 SWD**, API # 25-055-21107, located in the NW¼SE¼ of Section 2, T22N-R47E, McCone County, Montana has an oil spill in the pump house and needs vegetation control.
- **Clubb 1**, API # 25-055-21100, located in the SE¼SE¼ of Section 2, T22N-47E, McCone County, Montana has a spill in the pump house and needs vegetation control.
- **Burlington B-2**, API # 25-055-21111, located in the SE¼NW¼ of Section 1, T22N-R47E, McCone County, Montana needs vegetation control.

On May 27, 2021, a certified letter was sent to SDOCO to address the BN 11-15 leaking transfer line and contaminated soil. This certified letter was delivered on June 7, 2021. On June 11, 2021, staff received a letter from J. Robert Tuck stating that the issue was resolved. An inspection on June 9, 2021 and July 8, 2021, indicated the issues remain.

On September 9, 2021, a certified letter was sent to SDOCO to address the compliance issues that remain at the BN 11-15 location and to address the vegetation on the four well locations listed above in addition to the contaminated soil at the Lundblad 1 SWD and Clubb 1 wells. A deadline of October 13, 2021, as given to resolve the compliance issues or SDOCO would be brought up at the Board Business meeting. This certified letter was delivered on September 13, 2021. On September 27, 2021, staff received a letter from SDOCO stating that the issues were resolved. An inspection performed prior to this meeting indicated that issues remain. Staff will meet with SDOCO in the field to review the remaining compliance issues.

IT IS THEREFORE ORDERED by the Board that SDOCO must have the well locations in compliance by the October 28, 2021, hearing application deadline. Failure to come into compliance by that date, SDOCO will be ordered to show cause at the December 2, 2021, public hearing as to why penalties should not be considered for failure to remedy the field violations.

Dated this 13th day of October, 2021

Montana Board of Oil and Gas Conservation

James W. Halvorson, Administrator