

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

IN THE MATTER OF BLACK GOLD ENERGY RESOURCE
DEVELOPMENT, LLC AND ITS FAILURE TO PROPERLY
MAINTAIN THE INDIAN MOUND 1 WELLSITE IN
RICHLAND COUNTY, MONTANA.

ADMINISTRATIVE ORDER 10-A-2021

AND

IN THE MATTER OF BLACK GOLD ENERGY RICHLAND
FACILITY, INC. AND ITS FAILURE TO PROPERLY
MAINTAIN THE VELMA SWD 1-10H WELLSITE IN
RICHLAND COUNTY, MONTANA.

Mr. Chris Blount is the sole owner and operator of Black Gold Energy Resource Development, LLC (Black Gold Energy Resource Development) and Black Gold Energy Richland Facility, Inc. (Black Gold Energy Richland Facility). Both companies have several violations that need to be addressed.

Black Gold Energy Resource Development is the bonded operator of the Indian Mound 1, API # 25-083-21377, located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 15, T23N-R55E, in Richland County, Montana. This well location has an open pit with oil, contaminated soil, used filter socks, wind-blown garbage, and vegetation.

Black Gold Energy Richland Facility, Inc. is the bonded operator of the Velma SWD 1-10H, API # 25-083-22531, located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 10, T23N-R58E, Richland County, Montana. This well location has wind-blown garbage, vegetation, and an inaccurate well sign that does not reflect the current operator.

On September 9, 2021 and September 16, 2021, certified letters were sent to Mr. Blount detailing the above listed field compliance issues at the Indian Mound 1 and the Velma SWD 1-10H well locations. An October 13, 2021, deadline was given to address the compliance issues, or this matter would be brought up at the Board Business meeting.

On September 21, 2021, staff spoke with Mr. Blount about the locations for both companies.

An inspection performed on October 12, 2021, indicated that no action had been taken.

IT IS THEREFORE ORDERED by the Board that Black Gold Energy Resource Development and Black Gold Energy Richland Facility must show cause at the December 2, 2021, public hearing, why additional penalties should not be considered for failure to remedy the field violations.

IT IS FURTHER ORDERED that Black Gold Energy Resource Development and Black Gold Energy Richland Facility and its legal counsel must appear at the December 2, 2021, public hearing.

Dated this 13th day of October, 2021

Montana Board of Oil and Gas Conservation

James W. Halvorson, Administrator