

**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 POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 6 AND 7, TOWNSHIP 25 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

**MBOGC DOCKET NO. 77-2021**

**APPLICATION**

\*\*\*\*\*

**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 the above-described tract, and its RKT Carda 7-6 #2H, RKT Carda 7-6 #3H and RKT Carda 7-6 #4H wells have been successfully completed as commercial producers of oil and associated natural gas from the Bakken/Three Forks formation thereunder.
2. The captioned lands comprise a permanent spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. 52-2018.
3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the RKT Carda 7-6 #2H, RKT Carda 7-6 #3H and RKT Carda 7-6 #4H wells, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.
4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

**[B] Requests:**

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Sections 6 and 7, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, for production of oil and associated natural gas from the Bakken/Three Forks formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the RKT Carda 7-6 #2H, RKT Carda 7-6 #3H and RKT Carda 7-6 #4H wells.

DATED this 26<sup>th</sup> day of August, 2021.

**KRAKEN OIL & GAS LLC**

By \_\_\_\_\_

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: [jlee@crowleyfleck.com](mailto:jlee@crowleyfleck.com)

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**SEP 07 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

**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 POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 17 AND 20, TOWNSHIP 25 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

**MBOGC DOCKET NO.** 78-2021

**APPLICATION**

\*\*\*\*\*

**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 the above-described tract, and its Mayson Phoenix 17-20 #2H, Mayson Phoenix 17-20 #3H and Mayson Phoenix 17-20 #4H wells have been successfully completed as commercial producers of oil and associated natural gas from the Bakken/Three Forks formation thereunder.
2. The captioned lands comprise a permanent spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. 54-2018.
3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the Mayson Phoenix 17-20 #2H, Mayson Phoenix 17-20 #3H and Mayson Phoenix 17-20 #4H wells, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.
4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

**[B] Requests:**

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Sections 17 and 20, Township 25 North, Range 59 East, M.P.M., Richland County, Montana, for production of oil and associated natural gas from the Bakken/Three Forks formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Mayson Phoenix 17-20 #2H, Mayson Phoenix 17-20 #3H and Mayson Phoenix 17-20 #4H wells.

DATED this 26<sup>th</sup> day of August, 2021.

**KRAKEN OIL & GAS LLC**

By \_\_\_\_\_

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

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**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 POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 21 AND 28, TOWNSHIP 26 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

**MBOGC DOCKET NO. 79-2021**

**APPLICATION**

\*\*\*\*\*

**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 the above-described tract, and its Dagney 21-28 #1H well has been successfully completed as commercial producers of oil and associated natural gas from the Bakken/Three Forks formation thereunder.
2. The captioned lands comprise a permanent spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. 77-2018.
3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the Dagney 21-28 #1H well, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.
4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

**[B] Requests:**

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Sections 21 and 28, Township 26 North, Range 59 East, M.P.M., Richland County, Montana, for production of oil and associated natural gas from the Bakken/Three Forks formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Dagney 21-28 #1H well.

DATED this 26<sup>th</sup> day of August, 2021.

**KRAKEN OIL & GAS LLC**

By   
John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

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**MONTANA BOARD OF OIL &  
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**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 POOLING ALL INTERESTS IN THE PERMANENT SPACING UNIT ("PSU") COMPRISED OF ALL OF SECTIONS 21, 28 AND 33, TOWNSHIP 26 NORTH, RANGE 59 EAST, M.P.M., RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION THEREUNDER, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE

**MBOGC DOCKET NO. 80-2021**

**APPLICATION**

\*\*\*\*\*

**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 the above-described tract, and its Dagney 33-21 #3H and Dagney 33-21 #4H wells have been successfully completed as commercial producers of oil and associated natural gas from the Bakken/Three Forks formation thereunder.
2. The captioned lands comprise a permanent spacing unit for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. 18-2021.
3. As of the date of this application, Applicant has been unable to establish voluntary pooling of all interests within said spacing unit with respect to the Dagney 33-21 #3H and Dagney 33-21 #4H wells, and it is anticipated that such pooling cannot be consummated prior to the hearing on this application.
4. In the absence of voluntary pooling of all interests within the proposed permanent spacing unit, the pooling of all interests in the spacing unit for the development and operation thereof should be effectuated by an order of the Board for that purpose.

**[B] Requests:**

1. This matter be set for hearing, with notice given as required by law and the MOU; and
2. After hearing the matter, the Board enter its order pooling all interests in the spacing unit comprised of All of Sections 21, 28 and 33, Township 26 North, Range 59 East, M.P.M., Richland County, Montana, for production of oil and associated natural gas from the Bakken/Three Forks formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Dagney 33-21 #3H and Dagney 33-21 #4H wells.

DATED this 26<sup>th</sup> day of August, 2021.

**KRAKEN OIL & GAS LLC**

By 

John R. Lee, Its Attorney

CROWLEY FLECK PLLP

P.O. Box 2529

Billings, MT 59103-2529

Email: [jlee@crowleyfleck.com](mailto:jlee@crowleyfleck.com)

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**MONTANA BOARD OF OIL &  
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**State of Montana**  
**Board of Oil and Gas Conservation**

**Docket No:** 91-2021  
Underground Injection Control  
Application

**Kalypso 15-1 SWD**  
**27N-57E**

**HYDRA MT LLC**

9805 Katy Freeway – Ste. 300, Houston, TX 77024  
(713) 360-7705, fax (713) 360-7712

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# Underground Injection Control (UIC) Permit Application

## Wildcat Roosevelt Field

The following is submitted in support of our application to permit the drilling and completion of the Kalypso 15-1 well for the purposes of water injection into the Dakota Group and related rocks within the proposed Wildcat Roosevelt Field, as required by Rule 36.22.1403 of the Rules and Regulations of the Montana Board of Oil & Gas Conservation.

### 1(a) Well Locations:

The Kalypso 15-1 well has been proposed for drilling and completion of a water injection within the proposed Wildcat Roosevelt Field in Richland County, Montana as described below. Appendix I, depicts the surface location and a circle of a quarter ¼-mile radius representing the area of review (AOR) for this well.

Kalypso 15-1 SWD  
327' FSL, 2260' FEL  
NWNE Sec. 15-T27N-R57E

### 1(b) Wells Located within the ¼-mile Area of Review (AOR):

There are currently no wells within the 1/4-mile AOR. Kraken Operating Plans to drill three oil and gas wells, targeting the Middle Bakken, from this proposed location in addition to the Kalypso 15-1 SWD.

### 1(c) Location of All Pipelines:

The Kalypso 15-1 SWD surface facilities will be constructed on the same pad as the injection well.

Initial wells for disposal will include the Jeri 10-3-34 #4H, Blinda 10-3-34 #3H and George 10-3-34 #2H wells, which will be on the same pad as the Kalypso 15-1 SWD, and thus have a pipeline on location. Produced water from additional wells may be trucked or pipelined into this location in the future but there are no definitive plans at this time.

### 1(d) Area Producing Formations, Fresh Water Aquifers and Water Well Information:

The Bakken and Red River are formations that are producing or have produced within T27N R57E in Roosevelt County, MT. The Middle Bakken Formation produces between 9,915' and 10,110'.

There are no existing freshwater wells in the AOR. There is one water well within a half mile radius of the proposed Kalypso location, see below.

<u>Location</u>	<u>S-T-R</u>	<u>Well ID</u>	<u>Well Name</u>
SESE	10-27-57	920750	STATE 44-10

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No additional information was found on this well.

Any potential USWDs are protected from the proposed injection zone by surface casing to set at 1,845' cemented to the surface. The production string, tubing and an injection packer will result in further isolation of fresh USWDs from injected fluids.

**1(e) Name and Geological Description of Injection Zone:**

The Lower Cretaceous Inyan Kara within the Dakota Group is roughly 500' thick in this area based on grid tops for the Inyan Kara and the lower confining Swift formation. The Inyan Kara consists of a sequence of alternating fluvial and deltaic sands, silts, and shales. It unconformably overlies the Swift formation. There are several prospective porosity intervals for injection from -3,188' to -3,383' SSTVD with sand packages ranging from 8' to 60' in thickness.

The Cretaceous Mowry formation is the overlying confining formation for the Inyan Kara. The Mowry is estimated to be approximately 340' thick and comprised of black to gray, siliceous, fissile shales and siltstones containing bentonite layers.

The Jurassic Swift formation is the lower confining formation for the Inyan Kara. It is predominantly a transgressive-regressive, clastic, shallow marine deposit composed of dark-gray to greenish shales, and slightly calcareous, glauconitic siltstones and sandstones. The basal 150' to 200' are predominantly beds of slightly calcareous, dark-gray to greenish, waxy shales, commonly interbedded with glauconitic siltstones and sandstones with occasional carbonate units consisting of sand-sized skeletal packstones and grainstones. The upper half of the Swift is mostly shaly, glauconitic siltstones and sandstones with associated shales. The Swift formation is approximately 500' thick in this area.

**1(f) Additional Information on Producing Wells within the AOR:**

At this time there are no other producing wells within the AOR

**1(g) Open Hole Logs:**

The Kalypso 15-1 SWD will be a new drill SWD. The logging program will consist of a CBL/CCL/GR log run from TD to Surface during the completion of the well. Any logs and test data run on the Kalypso 15-1 SWD will be supplied to MBOGC.

**1(h) Description of Wellbore Construction:**

Appendix IV, attached to this document is the MBOGC's Form 2 requesting drilling and completing the subject well as an SWD. Appendix V, depicts the proposed wellbore configuration for the Kalypso 15-1 SWD. Perforations will be selected after logs will be run. Appendix VI, illustrates the plan for completion of the subject well. The Dakota Group perforations will be acidized with 12,000 gallons of 15% HCL using rock salt for diversion with a maximum allowable treating pressure of 5,000 PSIG at the wellhead during stimulation.

The 8-3/4" Intermediate section will be drilled to 5,700' where 7" casing will be ran to TD and cemented into place.

**1(i) Description of Injection Fluid:**

The Kalypso 15-1 SWD will primarily be used to inject produced water from wells producing from the Bakken formation in the surrounding area. Water from the Red River, Madison and other producing intervals of the Williston Basin may also be disposed of in the Kalypso 15-1 SWD, depending on future development plans. Appendix VII, depicts a representative water analyses from a Bakken well in the area well that will be injected at the Kalypso 15-1 SWD. The Dakota formation has been the most prevalent disposal domain throughout Eastern Montana and North Dakota.

**1(j) Names of Owners of Record:**

The surface owners and mineral owners within the AOR are presented in Appendix VIII.

Hydra MT, LLC has notified the current operators, surface owners and lease owners in accordance with 36.22.1410 1) notification requirements for an underground injection permit. Appendix IX is an affidavit attesting to the fact that notices have been mailed.

**1 (k) List of Appendices:**

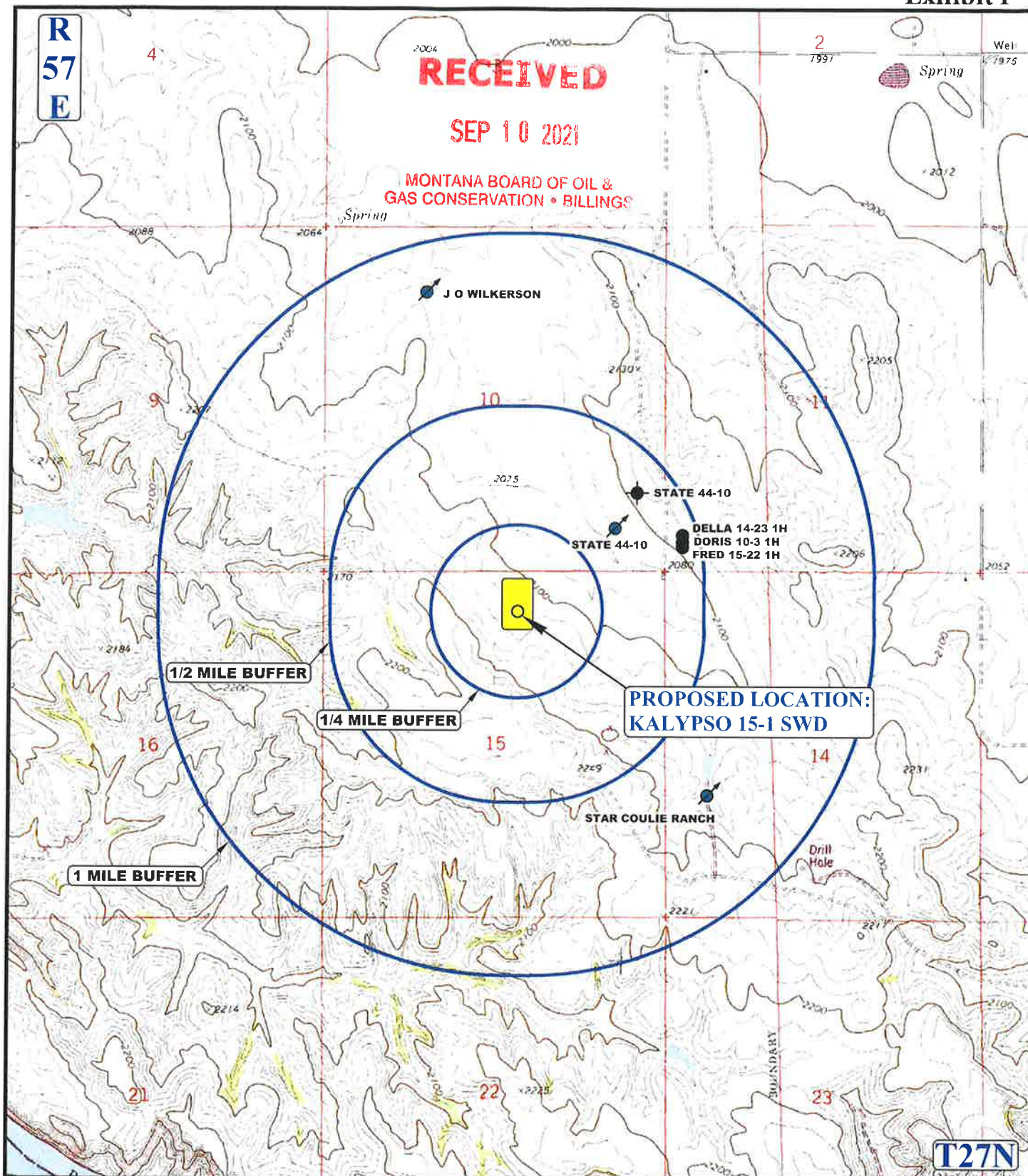
- I ¼-Mile Area of Review Map
- II Plat of SWD Location
- III Representative Log
- IV Sundry Notices
- V Proposed Wellbore Schematic
- VI Proposed Completion Procedure
- VII Water Analysis – Source Waters
- VIII List of Surface Owners/Mineral Owners in ¼-Mile AOR
- IX Affidavit of Notification to Landowners
- X Example of Landowner Notifications of Application for Injection
- XI Notice of Intention to Apply for a Class II Well.
- XII Affidavits of Publication – Helena & Wolf Point

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**LEGEND:**

- Ø DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ◆ ABANDONED WELLS
- TEMPORARILY ABANDONED
- CONFIDENTIAL



**UELS, LLC**  
Corporate Office \* 85 South 200 East  
Vernal, UT 84078 \* (435) 789-1017



**KRAKEN OPERATING, LLC**

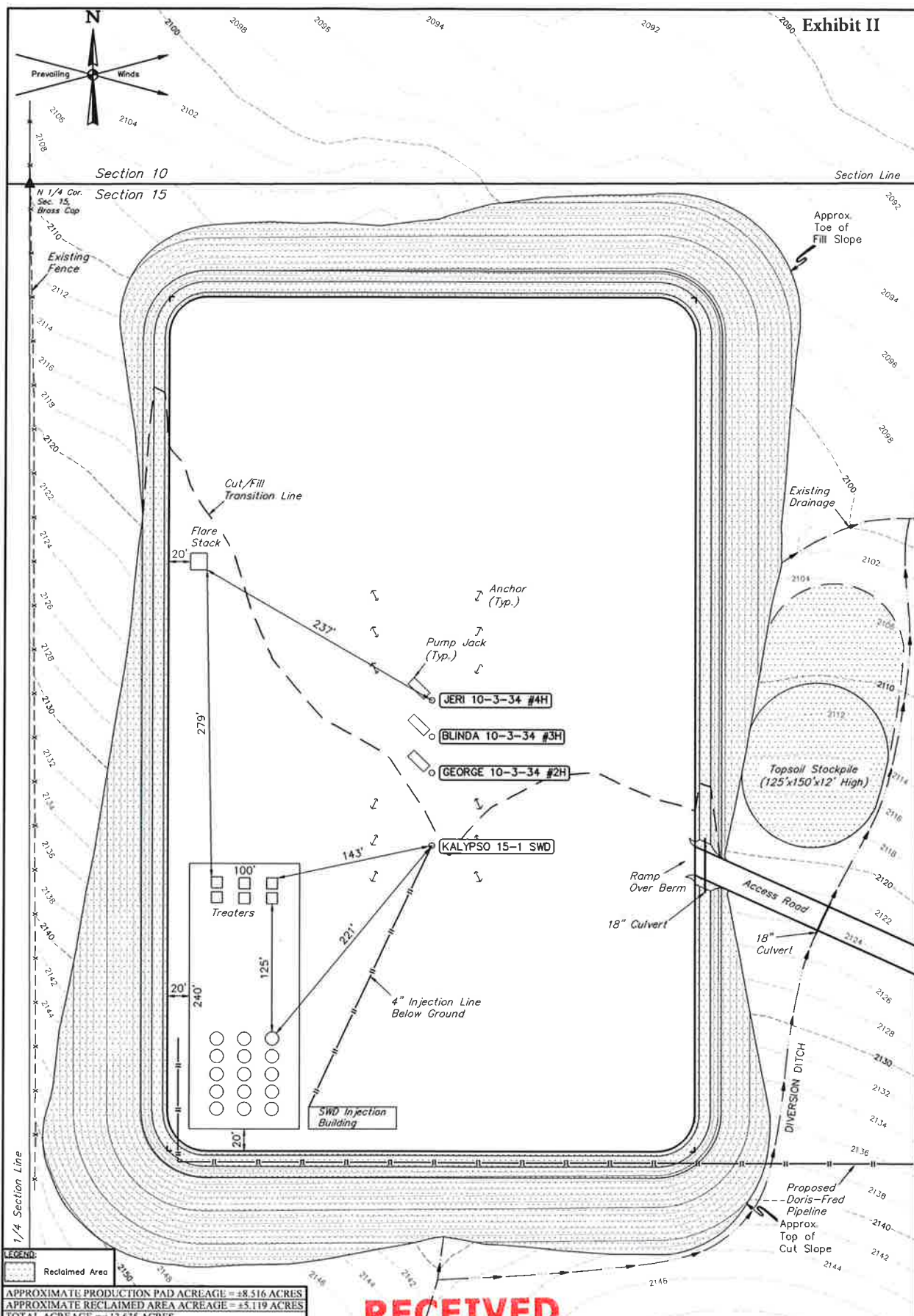
**KALYPSO 15-1 SWD**  
NW 1/4 NE 1/4, SECTION 15, T27N, R57E, P.M.M.  
ROOSEVELT COUNTY, MONTANA

SURVEYED BY	S.K.	07-15-21	SCALE
DRAWN BY	S.K.	09-07-21	1 : 24,000

**WELL PROXIMITY MAP**

**TOPO C**





**LEGEND:**  
 Reclaimed Area  
 APPROXIMATE PRODUCTION PAD ACREAGE = ±8.516 ACRES  
 APPROXIMATE RECLAIMED AREA ACREAGE = ±5.119 ACRES  
 TOTAL ACREAGE = ±13.635 ACRES

**NOTES:**  
 • Contours shown at 2' intervals.

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**KRAKEN OPERATING, LLC**

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**DORIS PAD**  
 NW 1/4 NE 1/4, SECTION 15, T27N, R57E, P.M.M.  
 ROOSEVELT COUNTY, MONTANA



**UELS, LLC**  
 Corporate Office • 85 South 200 East  
 Vernal, UT 84078 • (435) 789-1017

**MONTANA BOARD OF OIL & GAS CONSERVATION • BILLING**

SURVEYED BY	S.K.	07-15-21	SCALE
DRAWN BY	S.L.	09-07-21	1" = 80'
<b>INTERIM RECLAMATION PLAN</b>			

bakken project

Exhibit III

Log  
Depth(ft)  
4720 -

Log  
Depth(ft)  
- 4720

MOWRY\_(TOP\_DAKOTA) (BRL)

MUDDY (BRL)

INYAN\_KARA (BRL)

SWIFT (BRL)

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# Exhibit IV

FORM NO. 2 R 10/09

ARM 36.22.307, 601, 605,  
1003, 1004, 1011, 1013,  
1103, 1222, 1240, 1301,  
1306, 1309, and 1417

Submit In Quadruplicate To:

**MONTANA BOARD OF OIL AND GAS CONSERVATION**  
**2535 ST. JOHNS AVENUE**  
**BILLINGS, MONTANA 59102**

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## SUNDRY NOTICES AND REPORT OF WELLS

**MONTANA BOARD OF OIL &  
GAS CONSERVATION - BILLINGS**

Operator <b>Hydra MT, LLC</b>		Lease Name: <b>Kalypso</b>
Address <b>9805 Katy Freeway Ste 300</b>		Type (Private/State/Federal/Tribal/Allotted): <b>Private</b>
City <b>Houston</b>	State <b>TX</b>	Zip Code <b>77024</b>
Telephone <b>713-360-7705</b>	Fax <b>713-360-7712</b>	Well Number: <b>15-1 SWD</b>
Location of well (1/4-1/4 section and footage measurements): <b>327' FSL, 2260' FEL</b> <b>NWNE Sec. 15-T27N-R57E</b>		Unit Agreement Name:
		Field Name or Wildcat: <b>Wildcat Roosevelt</b>
		Township, Range, and Section: <b>15-T27N-R57E</b>
API Number: <b>25</b>	Well Type (oil, gas, injection, other): <b>Injection</b>	County: <b>Richland</b>
State <b>TX</b>	County <b>Richland</b>	Well <b>15-1 SWD</b>

Indicate below with an X the nature of this notice, report, or other data:

Notice of Intention to Change Plans	<input type="checkbox"/>	Subsequent Report of Mechanical Integrity Test	<input type="checkbox"/>
Notice of Intention to Run Mechanical Integrity Test	<input type="checkbox"/>	Subsequent Report of Stimulation or Treatment	<input type="checkbox"/>
Notice of Intention to Stimulate or to Chemically Treat	<input type="checkbox"/>	Subsequent Report of Perforation or Cementing	<input type="checkbox"/>
Notice of Intention to Perforate or to Cement	<input type="checkbox"/>	Subsequent Report of Well Abandonment	<input type="checkbox"/>
Notice of Intention to Abandon Well	<input type="checkbox"/>	Subsequent Report of Pulled or Altered Casing	<input type="checkbox"/>
Notice of Intention to Pull or Alter Casing	<input type="checkbox"/>	Subsequent Report of Drilling Waste Disposal	<input type="checkbox"/>
Notice of Intention to Change Well Status	<input type="checkbox"/>	Subsequent Report of Production Waste Disposal	<input type="checkbox"/>
Supplemental Well History	<input type="checkbox"/>	Subsequent Report of Change in Well Status	<input type="checkbox"/>
Other (specify) <b>Intent to Drill &amp; Complete a</b>	<input checked="" type="checkbox"/>	Subsequent Report of Gas Analysis (ARM 36.22.1222)	<input type="checkbox"/>
<b>Class II Injection Well</b>	<input type="checkbox"/>		<input type="checkbox"/>


### Describe Proposed or Completed Operations:

Describe planned or completed work in detail. Attach maps, well-bore configuration diagrams, analyses, or other information as necessary. Indicate the intended starting date for proposed operations or the completion date for completed operations.

**Hydra MT, LLC respectfully requests approval to drill and complete a disposal well at the referenced location for injection of Class II E&P waste. Notice has been provided to parties within the 1/4 mile area of review of the proposed location. An application for hearing on the Montana Board of Oil and Gas Conservation docket has been requested for October 14, 2021.**

BOARD USE ONLY	
Approved _____	Date _____
_____ Name	_____ Title

The undersigned hereby certifies that the information contained on this application is true and correct:

<b>9/8/21</b>	
Date	Signed (Agent)
<b>Peter Larsen, VP - Midstream</b>	
Print Name and Title	
Telephone: _____	<b>713-360-7705</b>

### SUPPLEMENTAL INFORMATION

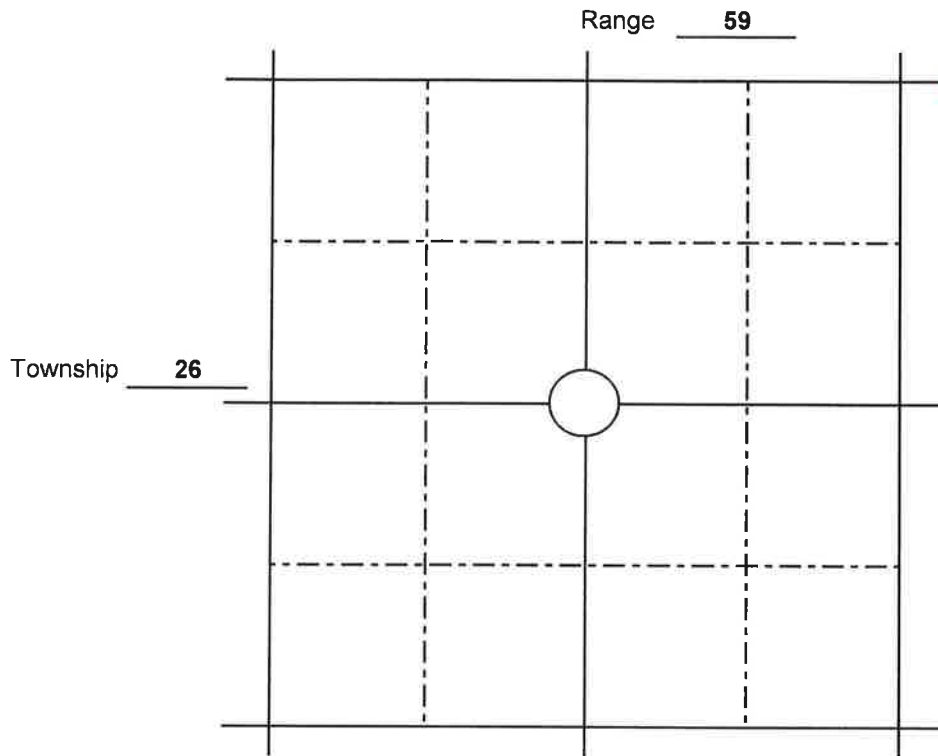
NOTE: Additional information or attachments may be required by Rule or by special request.

Plot the location of the well or site that is the subject of this notice or report.

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#### BOARD USE ONLY

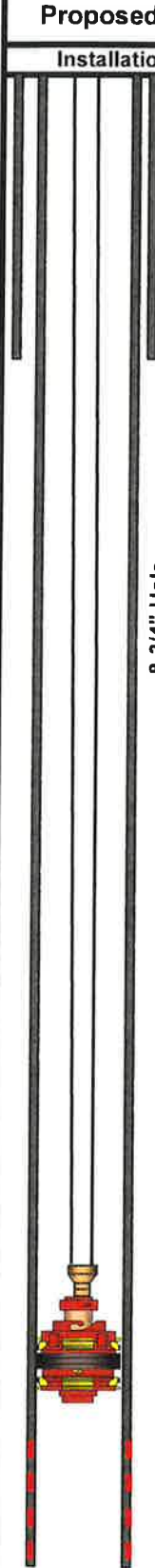
#### CONDITIONS OF APPROVAL

The operator must comply with the following condition(s) of approval:

Failure to comply with the conditions of approval may void this permit.

## Hydra Services, LLC

**Well Name:** Kalypso 15-1 SWD  
**Legals:** NWEW Sec. 15 T27N-R57E  
**County, State:** Roosevelt Co., Montana  
**Date:** 9/7/2021

Proposed Installation		G.L.		Date: 9/7/2021	2,120 K.B.	26
Installation	Set Depth	Length	Description	OD	ID	
	80.00	80.00	<u>Casing Description:</u> Conductor- 65# H-40	16.000	15.250	
	1,845.00	1,845.00	Surface Casing- 36# J-55 STC	9.625	8.920	
	5,700.00	5,700.00	Production Casing- 32# P-110 BTC	7.000	6.094	
12-1/4" Hole			<u>Cement:</u> Surface CSG: Lead: 242sx 11.5# Varicem CMT, 2.81 ft3/sx Tail: 115sx 13.0# Varicem CMT, 1.91 ft3/sx TOC: Surface  Production CSG: Lead: 304 sx 13# NeoCem CMT, 1.959 ft3/sx TOC: Est. 1845'			
8-3/4" Hole			<u>WellHead:</u> 7-1/16" 5M  <u>Peforations:</u> 1 SPF  <u>Completion:</u> 7" Nickel Plated AS1-X PKR  <u>Stimulation:</u> 12,000 Gal of 15% HCL Est. 6,000#'s Rock Salt Diversion Est. Treat Rate- 10 BPM Est. Treat Max Press- 5,000 PSIG			
	5,240.00					
	5,540.00					
	5,200.00					

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TD @ 5,700' MD 5,700' TVD



**Kalypso 15-1 SWD  
Roosevelt Co., MT**

**COMPLETON OVERVIEW**

**WELL DATA:**

Total Well Depth            5,700' TVD  
GL                                2,120'  
RKB                              26'

**Casing**

<u>OD</u>	<u>WT</u>	<u>GRADE</u>	<u>CONN</u>	<u>ID</u>	<u>DRIFT</u>	<u>INTERVAL</u>	<u>BURST</u>	<u>COLLAPSE</u>
9-5/8"	36#	J-55	LTC	8.921	8.765	0 – 1845'	3520	2020
7.00"	32#	P-110	BTC	6.094	5.969	0 – 5700'	11640	10760

**Tubing (PROPOSED)**

<u>OD</u>	<u>WT</u>	<u>GRADE</u>	<u>CONN</u>	<u>ID</u>	<u>DRIFT</u>	<u>INTERVAL</u>	<u>BURST</u>	<u>COLLAPSE</u>
4-1/2"	11.6	J55 IPC	LTC	3.875	3.863	0 – 5,200'	5350	4960

**Objective:**

**A. OPERATIONAL REQUIREMENTS**

1. Prior to each major operation, hold a pre-job safety/ planning meeting (**PJSM**) with all personnel involved in the operation. Discuss the upcoming operation and safety concerns and solicit feedback from all personnel involved.
2. Keep track of daily activities on your Daily Report.
3. Inspect any tanks prior to filling.
4. Physically caliper, measure, and photograph ALL tools that enter the well bore.

**B. COMPLETE THE WELL FOR INJECTION**

1. Contact MBOGC within 24 hours of commencement.
2. Set and test workover rig anchors.
3. Move in and rig up workover rig, mud pump, mud tank, power swivel, pipe racks, catwalk, and 2-400 bbl tanks.
4. Move in and unload 6000' 2-7/8" PH6 work string on pipe racks.

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**Kalypso 15-1 SWD  
Roosevelt Co., MT**

- a. Visually inspect before use.
5. Install a 7-1/16" 5000 psi BOP with 2-7/8" pipe rams/blind rams and a 5000 psi Washington Head.
6. Pick up and go in hole with a used 6" rock bit w/2-7/8" work string.
7. Trip in hole to Float Collar at est. depth of 5,660'.
8. Circulate hole w/10# brine.
9. TOOH. LD first 400'. Stand back rest of string.
10. Rig up Wireline and Run CBL to verify cement across and above the Dakota
11. RU Coil Tubing to Perforate the Dakota (all perms = 1 spf, 72 degree phasing). Pump proppant to jet cut perforations in 7" casing. Determine shot depths based off of CBL.
12. Trip in hole with 7" packer on 2-7/8" work string and set packer 5,200' to acidize the perms
13. Acidize perms with:
  - a. 12,000 gal 15% HCL containing mud cleanout surfactants and 1 ppg rock salt pumped per attached procedure. Ramp treatment pressure up to 10 BPM. Do not exceed tubular burst strength during treatment.
  - b. Follow acid with 400 bbl fresh water at 10 BPM. Displace fresh water with tbq volume of salt water.
  - c. Record ISIP, 5 minute, and 10 minute shut-in pressures. Pump test injection zone at 2- 10 BPM. Record injection pressures during injectivity test.
14. Release packer and trip out of hole with 2-7/8" work string. Lay down work string and packer.
15. Trip in hole with 7.00" Arrowset 1-X Nickel coated packer and 4-1/2" tubing. Set packer at 5,200' and displace annulus with 10 ppg brine treated with packer fluid chemical.
16. ND BOP/ NU injection wellhead. Test casing-tubing annulus to 1,000 psi with MBOGC inspector as witness. Install permanent pressure gauge on casing-tubing annulus to monitor pressure.
17. Rig down and move out workover rig.

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**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

***ASTRO-CHEM LAB, INC.***

4102 2nd Ave. W.

Williston, North Dakota 58802-0972

P.O. Box 972

Phone: (701) 572-7355

# WATER ANALYSIS REPORT

Sample Number: 20-00973

Date of Analysis: 3/11/2020

Company: Kraken Operating, LLC.

City: Houston

State: TX

Well Number: Taylor 14-23-1H

Sample Source: Test Separator

Date Received: 3/10/2020

Date Sampled: 3/4/2020

**Formation:**

Depth:

Location:

Section:

Twp:

Rng:

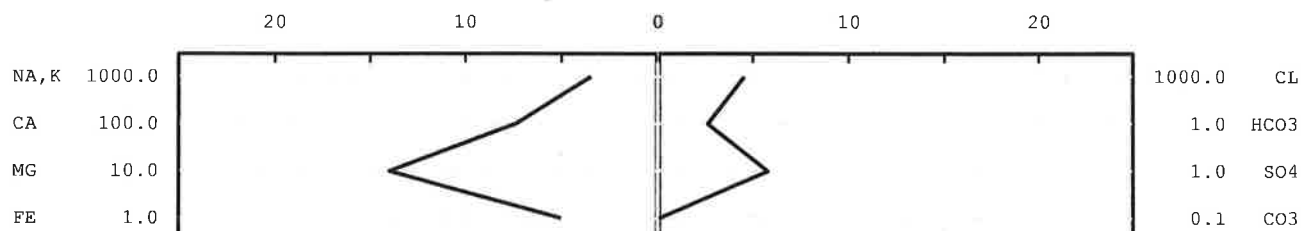
County:

Distribution: Distribution List

Resistivity @ 77 °F	0.044 Ohm-Meters	pH	5.93
Specific Gravity @ 77 °F	1.180	H <sub>2</sub> S	Negative
Total Dissolved Solids (Calculated)	264737 mg/L	224353 ppm	
Sodium Chloride (Calculated)	265426 mg/L	224937 ppm	

CATION	MEQ/L	mg/L	ANION	MEQ/L	mg/L
CALCIUM	740.0	14830	CHLORIDE	4540.2	160964
MAGNESIUM	140.0	1701	CARBONATE	0.0	0
SODIUM	3497.2	80400	BICARBONATE	2.6	159
IRON	5.0	93.9	SULFATE	5.8	278
CHROMIUM	0.1	0.9	NITRATE	0.0	0
BARIUM	0.6	40.9			
POTASSIUM	142.5	5570			
STRONTIUM	15.5	680.0			
ZINC	0.6	19.5			

## WATER ANALYSIS PATTERN



Remarks: Sampled by Ben Borg

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Analyzed By: C. Jungels

SEP 10 2021

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

# ASTRO-CHEM LAB, INC.

4102 2nd Ave. W.

Williston, North Dakota 58802-0972  
Phone: (701) 572-7355

P.O. Box 972

## WATER ANALYSIS REPORT

Sample Number: 20-00976

Date of Analysis: 3/11/2020

Company: Kraken Operating, LLC.

City: Houston

State: TX

Well Number: Taylor 14-23-2H

Sample Source: Test Separator

Date Received: 3/10/2020

Date Sampled: 3/8/2020

Formation:

Depth:

Location:

Section:

Twp:

Rng:

County:

Distribution: Distribution List

Resistivity @ 77 °F 0.042 Ohm-Meters

pH 5.90

Specific Gravity @ 77 °F 1.190

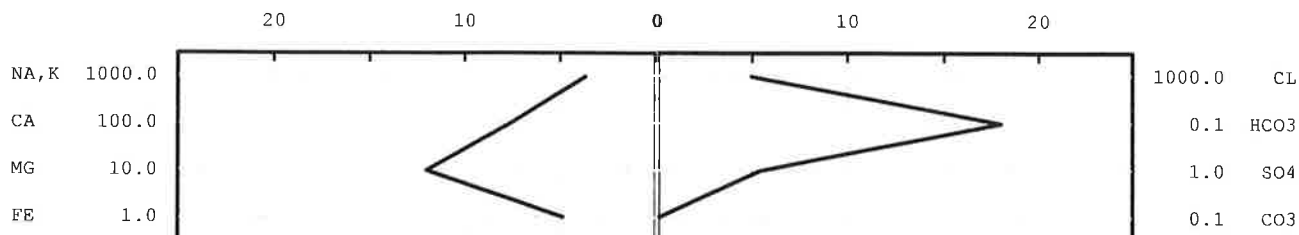
H<sub>2</sub>S Negative

Total Dissolved Solids (Calculated) 280474 mg/L 235693 ppm

Sodium Chloride (Calculated) 285209 mg/L 239672 ppm

CATION	MEQ/L	mg/L	ANION	MEQ/L	mg/L
CALCIUM	760.0	15230	CHLORIDE	4878.6	172961
MAGNESIUM	120.0	1458	CARBONATE	0.0	0
SODIUM	3653.8	84000	BICARBONATE	1.8	110
IRON	4.8	89.7	SULFATE	5.4	260
CHROMIUM	0.1	0.9	NITRATE	0.0	0
BARIUM	0.6	44.6			
POTASSIUM	143.5	5610			
STRONTIUM	15.7	690.0			
ZINC	0.6	20.4			

## WATER ANALYSIS PATTERN



Remarks: Sampled by Ben Borg

**RECEIVED**

Analyzed By: C. Jungels

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

## Underground Injection Control (UIC) Permit

### List of Surface Ownership

Star Coulee Ranch, Inc.  
5013 Road No. 1006  
Bainville, MT 59212

Terry H. Traeger  
1218 Road 2060  
Bainville, MT 59212

State of Montana  
1539 Eleventh Ave. P.O. Box 201601  
Helena, MT 59620

### List of Mineral Ownership

State of Montana  
1539 Eleventh Ave. P.O. Box 201601  
Helena, MT 59620

Star Coulee Ranch, Inc.  
5013 Road No. 1006  
Bainville, MT 59212

Harmon Holdings, LLC  
8200 Saddle Mountain Rd.  
Bozeman, MT 59715

Roosevelt County  
400 Second Ave. South  
Wolf Point, MT 59201

Frederick T. Wix Jr.  
708 6<sup>th</sup> Ave. E  
Culbertson, MT 59218

Della Mae Wix  
708 6<sup>th</sup> Ave. E  
Culbertson, MT 59218

Janice Kay Wix  
313 3<sup>rd</sup> Ave. West  
Culbertson, MT 59218

James Fred Wix  
113 3<sup>rd</sup> Ave. West  
Culbertson, MT 59218

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**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

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

IN RE THE APPLICATION OF HYDRA MT LLC, FOR  
HEARING OF ITS REQUEST FOR A UIC PERMIT FOR THE  
Kalypso 15-1 SWD WELL, 327' FSL, 2260' FEL, SEC. 15,  
T27N, R57E, FOR THE PURPOSE OF WATER INJECTION  
WITHIN THE Wildcat Roosevelt Field. [ROOSEVELT  
COUNTY, MONTANA]

**AFFIDAVIT  
OF NOTIFICATION**

DATE: September 9<sup>th</sup>, 2021

State of Montana            )  
  : ss.  
County of Roosevelt        )

Justin Payne, being first duly sworn, deposes and says:

That Notice advising of Hydra MT LLC application for UIC permit in the captioned matter, in the form attached as Exhibit "A", was mailed to each current operator, surface owner and lease owner within the area of review at the addresses shown in the exhibit attached to the Notice, by mailing a true copy thereof this 9<sup>th</sup> day of September 2021, postage prepaid, First-Class Mail. This affidavit is given as evidence of compliance to rule 36.22.1410.

  
Justin Payne

Subscribed and sworn to me this 9<sup>th</sup> day of September 2021.

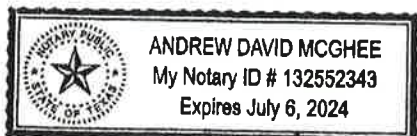


Notary Public for the State of Texas

Residing at: *Harris County, TX*

My Commission Expires: *7-6-2024*

(SEAL)



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**SEP 10 2021**



**NOTICE**

September 9<sup>th</sup>, 2021

To: Terry H. Traeger  
1218 Road 2060  
Bainville, MT 59212

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

**Location of proposed Disposal Well and Facility (Kalypso 15-1 SWD)**

NWNE Section 15, Township 27N Range 57E, Roosevelt County, MT

Please be advised that Hydra MT LLC (Hydra) has applied to the Montana Board Oil and Gas Conservation (MBOGC) to drill a saltwater disposal well and construct an associated facility at the above detailed location. Hydra will be seeking a final approval from the MBOGC on October 14<sup>th</sup>, 2021, at a hearing in Billings, MT at the MBOGC Hearing Room at 2535 St. John's Ave, Billings, MT, beginning at 9:00 am.

Pursuant to the requirements of project application and regulations of the MBOGC, you are hereby notified of this project.

Respectfully,

Justin L Payne  
Hydra MT LLC  
713-360-7705 ext. 142

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

NOTICE

September 9<sup>th</sup>, 2021

To: Della Mae Wix  
708 6<sup>th</sup> Ave. East  
Culbertson, MT 59218

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

Location of proposed Disposal Well and Facility (Kalypso 15-1 SWD)

NWNE Section 15, Township 27N Range 57E, Roosevelt County, MT

Please be advised that Hydra MT LLC (Hydra) has applied to the Montana Board Oil and Gas Conservation (MBOGC) to drill a saltwater disposal well and construct an associated facility at the above detailed location. Hydra will be seeking a final approval from the MBOGC on October 14<sup>th</sup>, 2021, at a hearing in Billings, MT at the MBOGC Hearing Room at 2535 St. John's Ave, Billings, MT, beginning at 9:00 am.

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Respectfully,

Justin L Payne  
Hydra MT LLC  
713-360-7705 ext. 142

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

NOTICE

September 9<sup>th</sup>, 2021

To: Frederick T. Wix, Jr.  
708 6<sup>th</sup> Ave. East  
Culbertson, MT 59218

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

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Hydra MT LLC  
713-360-7705 ext. 142

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

NOTICE

September 9<sup>th</sup>, 2021

To: Harmon Holdings, Inc.  
8200 Saddle Mountain Rd  
Bozeman, MT 59715

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

**Location of proposed Disposal Well and Facility (Kalypso 15-1 SWD)**

NWNE Section 15, Township 27N Range 57E, Roosevelt County, MT

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Respectfully,

Justin L Payne  
Hydra MT LLC  
713-360-7705 ext. 142

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

NOTICE

September 9<sup>th</sup>, 2021

To: James Fred Wix  
113 3<sup>rd</sup> Ave. West  
Culbertson, MT 59218

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

**Location of proposed Disposal Well and Facility (Kalypso 15-1 SWD)**

NWNE Section 15, Township 27N Range 57E, Roosevelt County, MT

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Respectfully,

Justin L Payne  
Hydra MT LLC  
713-360-7705 ext. 142

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

NOTICE

September 9<sup>th</sup>, 2021

To: Janice Kay Wix  
313 3<sup>rd</sup> Ave. West  
Culbertson, MT 59218

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

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Respectfully,

Justin L Payne  
Hydra MT LLC  
713-360-7705 ext. 142

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**



NOTICE

September 9<sup>th</sup>, 2021

To: Kraken Oil & Gas  
9805 Katy Freeway, Suite 300  
Houston, Texas 77024

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

**Location of proposed Disposal Well and Facility (Kalypso 15-1 SWD)**

NWNE Section 15, Township 27N Range 57E, Roosevelt County, MT

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Pursuant to the requirements of project application and regulations of the MBOGC, you are hereby notified of this project.

Respectfully,

Justin L Payne  
Hydra MT LLC  
713-360-7705 ext. 142

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

NOTICE

September 9<sup>th</sup>, 2021

To: Roosevelt County, MT  
400 Second Ave. South  
Wolf Point, MT 59201

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

**Location of proposed Disposal Well and Facility (Kalypso 15-1 SWD)**

NWNE Section 15, Township 27N Range 57E, Roosevelt County, MT

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Pursuant to the requirements of project application and regulations of the MBOGC, you are hereby notified of this project.

Respectfully,

Justin L Payne  
Hydra MT LLC  
713-360-7705 ext. 142

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

NOTICE

September 9<sup>th</sup>, 2021

To: Star Coulee Ranch, Inc.  
5013 Road No. 1006  
Bainville, MT 59212

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

**Location of proposed Disposal Well and Facility (Kalypso 15-1 SWD)**

NWNE Section 15, Township 27N Range 57E, Roosevelt County, MT

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Pursuant to the requirements of project application and regulations of the MBOGC, you are hereby notified of this project.

Respectfully,

Justin L Payne  
Hydra MT LLC  
713-360-7705 ext. 142

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

NOTICE

September 9<sup>th</sup>, 2021

To: State of Montana DNRC  
1539 Eleventh Ave.  
P.O. Box 201601  
Helena, MT 59620

From: Hydra MT LLC  
9805 Katy Freeway, Suite 300  
Houston, TX 77024

Re: Proposed Private Saltwater Disposal Well

**Location of proposed Disposal Well and Facility (Kalypso 15-1 SWD)**

NWNE Section 15, Township 27N Range 57E, Roosevelt County, MT

Please be advised that Hydra MT LLC (Hydra) has applied to the Montana Board Oil and Gas Conservation (MBOGC) to drill a saltwater disposal well and construct an associated facility at the above detailed location. Hydra will be seeking a final approval from the MBOGC on October 14<sup>th</sup>, 2021, at a hearing in Billings, MT at the MBOGC Hearing Room at 2535 St. John's Ave, Billings, MT, beginning at 9:00 am.

Pursuant to the requirements of project application and regulations of the MBOGC, you are hereby notified of this project.

Respectfully,

Justin L Payne  
Hydra MT LLC  
713-360-7705 ext. 142

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**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

## Exhibit XI

September 7, 2021

Montana Board of Oil & Gas Conservation  
2535 St. Johns Avenue  
Billings, MT 59102

Attn: Mr. George Hudak  
UIC Program Director

**Re: Application for UIC Permit and Authorization to Drill a Class II Injection Well,  
Kalypso 15-1 SWD in NWNE of Sec. 15-T27N-R57E, Roosevelt County, MT**

Dear Mr. Hudak:

Hydra MT, L.L.C. respectfully requests approval of an Underground Injection Control (UIC) permit for the referenced location and as described in the attached application. Hydra has provided notice to appropriate parties within the ¼ mile area of review of the proposed well location and requests that the application be placed on the docket for the MBOGC hearing scheduled for October 14, 2021.

If you have any questions concerning the enclosed application, please contact myself at (713) 360-7705.

Sincerely,



Pete Larsen  
VP - Midstream  
Hydra MT, LLC

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**SEP 10 2021**  
MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

The following legal ad request was submitted to the Helena Independent Record and the Wolf Point Northern Plains Independent papers on 9/1/21. The ad was ran in the Independent Record on 9/2/21 and will be posted in the Norther Plains Independent on 9/9/21. At this time Hydra MT has not received affidavits from the papers but will send them into the board once received.

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

In the matter of the ) NOTICE OF INTENTION TO APPLY  
application of ) FOR A CLASS II INJECTION WELL  
 ) PERMIT  
 )  
**HYDRA MT LLC** )

For a Class II injection well permit

1. Name and address of applicant  
**HYDRA MT LLC**  
**9805 Katy Freeway - Ste: 300**  
**Houston, TX 77024**
2. Well (or project) name, county, location  
**Kalypso 15-1 SWD located 601' FNL and 2273' FEL**  
**NW ¼ NE ¼ of Section 15, T27N, R57E**
3. Source of fluids to be injected  
**Produced Water from nearby Bakken wells**
4. Zone or formation into which injection will occur, including depth  
**DAKOTA from 4741' - 6190'**
5. An Aquifer Exemption will be requested as part of the application since the proposed injection zone contains water with less than 10,000 ppm total dissolved solids.

Pursuant to Rule 36.22.1409, Administrative Rules of Montana, the Montana Board of Oil and Gas Conservation will hold a public hearing upon the application of Hydra MT LLC for a Class II underground injection permit for the well or project set forth above. Said hearing will be held at the Montana Board of Oil and Gas Hearing Room at 2535 St. John's Ave., Billings, Montana, beginning at 9:00 am on Thursday, **(October 14, 2021)**.

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SEP 10 2021

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**



**RECEIVED****MONTANA BOARD OF OIL AND GAS CONSERVATION  
2535 ST. JOHNS AVENUE  
BILLINGS, MONTANA 59102****SEP 10 2021****SURETY BOND****MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

Surety Company

Bond Number B013667KNOW ALL MEN BY THESE PRESENTS, That we, Hydra MT LLC

Name and mailing address

9805 Katy Freeway, Suite 300, Houston, Texas 77024as **Principal**, andU.S. Specialty Insurance Company

Name and mailing address

as **Surety**,

authorized to do business in the State of Montana, are held and firmly bound unto the State of Montana, in the sum of:

Ten Thousand and No/100 Dollars(\$ 10,000.00 ).

The condition of this obligation is that whereas the above bounden principal(s) propose(s) to drill a well or wells for oil, gas, underground injection, or stratigraphic purposes in and upon the following described land situated within the State of Montana:

<input type="checkbox"/>	Blanket Bond	To cover all wells drilled or acquired in the State of Montana
<input type="checkbox"/>	Limited Bond	To cover all wells drilled or acquired subject to limitations, if any, set forth below:
<input type="checkbox"/>	Individual Well Bond	To cover one well as described below:
<input checked="" type="checkbox"/>	UIC Bond	To cover salt water disposal or enhanced recovery injection wells as described below:
<input type="checkbox"/>	Replacement Bond	To supersede and assume all wells covered by the bond described below:

Kalypso 15-1 SWD

NOW THEREFORE, the above bounded principal shall comply with all of the provisions of the laws of the State of Montana and the rules regulations and orders of the Board of Oil and Gas Conservation of the State of Montana especially with reference to the proper plugging of said well or wells, and restoration of the surface of the location of said well or wells, and filing with the Board of Oil and Gas Conservation of the State of Montana all notices and records required by the Board. This bond will be released, upon request, after all liabilities are properly removed from the bond.

Date August 24, 2021Date 08/27/2021

Surety

Signed

Meredith K. Anderson, Attorney-in-Fact

Print name and title

Principal

Signed

BRUCE LARSEN, PRESIDENT

Print name and title

If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany the bond.

Countersigned: Date August 24, 2021

Approved Date \_\_\_\_\_

By [Signature]

By \_\_\_\_\_

Mailing Address: 777 Post Oak Blvd., Ste. 330, Houston, TX 77056

Board of Oil &amp; Gas

License No. MT-Non-Resident Agent No. 949608State Bond Code 1

Montana Resident Agent or Licensed Non Resident Agent

**RECEIVED**

**SEP 10 2021**

**MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS**

**TEXAS COMPLAINT NOTICE**

**IMPORTANT NOTICE**

- 1 To obtain information or make a complaint:
- 2 You may contact your agent.
- 3 You may call the company's toll free telephone number for information or to make a complaint at:

1-800-486-6695

- 4 You may also write to the company:

601 S. Figueroa St., Suite 1600  
Los Angeles, CA 90017

- 5 You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

(800) 252-3439

- 6 You may write the Texas Department of Insurance:

P.O. Box 149091  
Austin, TX 78714-9091  
Fax No.: (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

7

**PREMIUM OR CLAIM DISPUTES:**

Should you have a dispute concerning your premium or about a claim you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

**ATTACH THIS NOTICE TO YOUR POLICY:**

8

This notice is for information only and does not become part or condition of the attached document.

**AVISO IMPORTANTE**

Para obtener informacion o para someter una queja:  
Puede comunicarse con su agente.

Usted puede llamar de numerero de telefono gratis de la compania para informacion o para someter una queja al:

1-800-486-6695

**Usted tambien puede escribir a la compa  a:**

601 S. Figueroa St., Suite 1600  
Los Angeles, CA 90017

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

(800) 252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149091  
Austin, TX 78714-9091  
Fax No.: (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

**DISPUTAS SOBRE PRIMAS O RECLAMOS:**

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o la companie primero. Si no se resuelve la disputa, prede entonces comunicarse con el departamento (TDI).

**UNA ESTE AVISO A SU POLIZA:**

Esta aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

RECEIVED

SEP 10 2021

TOKIOMARINE  
HCCMONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

## POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY  
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, Texas Bonding Company, an assumed name of American Contractors Indemnity Company, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

Edwin H. Frank, III, Michele K. Tyson, Meredith K. Anderson, Stephen Michael Smith or  
Timothy J. Briggs of Houston, Texas

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver **any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed** \*\*\*\*\*Three Million\*\*\*\*\* Dollars (\*\*\*3,000,000.00\*\*\*). This Power of Attorney shall expire without further action on April 23<sup>rd</sup>, 2022. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 1<sup>st</sup> day of June, 2018.

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY  
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

State of California

County of Los Angeles



By:

Daniel P. Aguilar, Vice President

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

On this 1<sup>st</sup> day of June, 2018, before me, Sonia O. Carrejo, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]

(seal)



I, Kio Lo, Assistant Secretary of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 24th day of August, 2021.

Corporate Seals

Bond No.

3013667Agency No. 8353

Kio Lo, Assistant Secretary



DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION  
BOARD OF OIL AND GAS CONSERVATION



GREG GIANFORTE, GOVERNOR

OIL AND GAS CONSERVATION DIVISION

STATE OF MONTANA

August 31, 2021

Scotty Smith, President  
Three Forks Resources, LLC  
4080 Youngfield Street  
Wheatridge, CO 80033

Re: Pending Notice of Intent to Change Operator and Request to Appear

Dear Three Forks Resources, LLC:

This letter is regarding the Notice of Intent to Change Operator request from Galuska Exploraiton & Production LLC and Galuska, George R. to Three Forks Resources, LLC (Three Forks) that was recently submitted to the Board of Oil and Gas Conservation (Board).

The request and the approval of the request will result in 5 or more inactive wells on Three Forks' multiple well bond. Due to the Board's transfer of plugging and reclamation policy, the approval of the change of operator request is being referred to the Board. The policy is enclosed.

Three Forks is requested to appear at the October 14, 2021, public hearing. At that time, the Board will determine if Three Forks' current \$50,000 multiple well plugging and reclamation bond is adequate prior to the approval of the change of operator request. Three Forks and its attorney should review the enclosed policy for the suggested information to provide to the Board.

If you have any questions, please contact me at (406) 656-0040 or at [jhalvorson@mt.gov](mailto:jhalvorson@mt.gov).

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim".

Jim Halvorson  
Administrator / Petroleum Geologist

cc: Galuska Exploraiton & Production LLC  
Galuska, George R

DIVISION OFFICE  
1539 11th AVENUE  
PO BOX 201601  
HELENA, MONTANA 59620-1601  
(406) 444-6731

TECHNICAL AND  
SOUTHERN FIELD OFFICE  
2535 ST. JOHNS AVENUE  
BILLINGS, MONTANA 59102-4693  
(406) 656-0040

NORTHERN FIELD OFFICE  
201 MAIN STREET  
PO BOX 690  
SHELBY, MONTANA 59474-0690  
(406) 434-2422

82 - 2021

**MONTANA BOARD OF OIL AND GAS CONSERVATION**  
**2535 ST. JOHNS AVENUE BILLINGS, MONTANA 59102**

**RECEIVED****JUL 28 2021****Notice of Intent to Change Operator**

The undersigned Transferor hereby notifies the Board of Oil and Gas Conservation of its intention to transfer ownership and/or operation of the following wells to the undersigned Transferee.

**MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS**

Lease Name:

See Attached

Lease type: (Private, State, Federal, Indian)

Private

County:

Liberty

Field name:

Utopia

Description of wells: Include API well number, well name and number, and exact location of the well including Township, Range, Section, quarter and footage measurements, and lease type. (Federal, Indian, Private, State) Attach additional sheets as necessary.

Number of Wells to be Transferred:

3

Effective Date of Transfer:

6/1/2021

## 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 Board's 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 Galuska Petroleum Engineering, P.E.

Street Address \_\_\_\_\_

P.O. Box PO Box 806City, State, ZIP Littleton, CO 80160-0806

Signed \_\_\_\_\_

Print Name George R. GaluskaTitle Vice PresidentTelephone ( 406 ) 252-4656Date 7-14-21Company Three Forks Resources, LLCStreet Address 4086 Youngfield Street

P.O. Box \_\_\_\_\_

City, State, ZIP Wheat Ridge, CO 80033

Signed \_\_\_\_\_

Print Name Scotty A. SmithTitle PresidentTelephone ( 303 ) 318-0717Date 7/22/21**BOARD USE ONLY**

Approved \_\_\_\_\_

Date \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Oper. No. 403 / 444Bond No. 6162 / 61

Field Office Review \_\_\_\_\_

Date \_\_\_\_\_

Initial \_\_\_\_\_

Inspection \_\_\_\_\_

Records Review \_\_\_\_\_

Operations \_\_\_\_\_

Oper No. 593

Bond No. \_\_\_\_\_

#7960 / 7961

**82 - 2021**

Well Listed Attached to Form 20  
Change of Operator  
Galuska Exploration & Production LLC to Three Forks Resources, LLC

API Number	Lease Name	Well Number	Twp. Rge, Sec	Qtr Qtr	Footage	Lease Type
25-051-21597	Double L	<del>13A</del> -12	<del>22</del> <sup>33</sup> N-4E-12	<del>NE</del> <sup>SW</sup> SESE	990 FSL, 990 FWL	Private
25-051-21440	Laas	9-15-33-4	33N-4E-15	W2NESE	1980 FSL, 1040 FEL	Private
25-051-21469	Laas	3-23	33N-4E-23	S2NENW	990 FNL, 1980 FWL	Private

**RECEIVED**

**JUL 28 2021**

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

**82 - 2021**

DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION  
BOARD OF OIL AND GAS CONSERVATION



GREG GIANFORTE, GOVERNOR

OIL AND GAS CONSERVATION DIVISION

STATE OF MONTANA

August 31, 2021

Arnie Woods and Bo Woods  
A.B. Energy LLC  
574 Laird Road  
Chester, MT 59522

Re: Pending Notice of Intent to Change Operator and Request to Appear

Dear A.B. Energy LLC:

This letter is regarding the Notice of Intent to Change Operator request for A.B. Energy LLC (A.B.) to take over five orphan wells, that was recently submitted to the Board of Oil and Gas Conservation (Board).

The request and the approval of the request will result in 5 or more inactive wells on A.B.'s multiple well bond. Due to the Board's transfer of plugging and reclamation policy, the approval of the change of operator request is being referred to the Board. A copy of the policy is enclosed.

Board Order 29-2021 previously required that A.B. appear at the October 14, 2021, public hearing to discuss wells recently abandoned or returned to production and review current plugging and reclamation bonding. A copy of Board Order 29-2021 is enclosed. The hearing on this proposed acquisition will be combined with that scheduled review.

If you have any questions, please contact me at (406) 656-0040 or at [jhalvorson@mt.gov](mailto:jhalvorson@mt.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Jim".

Jim Halvorson  
Administrator / Petroleum Geologist

DIVISION OFFICE  
1539 11th AVENUE  
PO BOX 201601  
HELENA, MONTANA 59620-1601  
(406) 444-6731

TECHNICAL AND  
SOUTHERN FIELD OFFICE  
2535 ST. JOHNS AVENUE  
BILLINGS, MONTANA 59102-4693  
(406) 656-0040

NORTHERN FIELD OFFICE  
201 MAIN STREET  
PO BOX 690  
SHELBY, MONTANA 59474-0690  
(406) 434-2422

83-2021

**MONTANA BOARD OF OIL AND GAS CONSERVATION**  
**2535 ST. JOHNS AVENUE BILLINGS, MONTANA 59102**

**RECEIVED****AUG 16 2021****Notice of Intent to Change Operator**

The undersigned Transferor hereby notifies the Board of Oil and Gas Conservation of its intention to transfer ownership and/or operation of the following wells to the undersigned Transferee.

MONTANA BOARD OF OIL &  
 GAS CONSERVATION • BILLINGS

Lease Name:

Flage-Smith

Lease type: (Private, State, Federal, Indian)

Private

County:

Toole

Field name:

Galata

Description of wells: Include API well number, well name and number, and exact location of the well including Township, Range, Section, quarter and footage measurements, and lease type. (Federal, Indian, Private, State) Attach additional sheets as necessary.

2510123042	Flage-Smith 44-18	T 31N R 3E Sec. 18	NWSESE	1023' FSL	1023' FEL	Private Lease
2510123178	Flagge 1-5	T 31N R 3E Sec. 5	NESWNE	1564' FNL	1686' FEL	Private Lease
2510123738	Flage 2-5	T 31N R 3E Sec. 5	SESW	990' FSL	1980' FWL	Private Lease
2510122877	Old Railroad Grade 43-6	T 31N R 3E Sec. 6	SWNESE	1950' FSL	1036' FEL	Private Lease
2510121991	Flage 1-8	T 31N R 3E Sec. 8	SWNENW	1217' FNL	1463' FWL	Private Lease

Number of Wells to be Transferred:

5

Effective Date of Transfer:

9-1-2021

**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 Board's 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 Mountain Pacific General

Street Address \_\_\_\_\_

P.O. Box \_\_\_\_\_

City, State, ZIP \_\_\_\_\_

Signed \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_

Telephone (\_\_\_\_\_) \_\_\_\_\_

Date \_\_\_\_\_

Company A.B. Energy, LLCStreet Address 574 Laird Road

P.O. Box \_\_\_\_\_

City, State, ZIP Chester, MT 59522Signed Bo D. WoodsPrint Name Bo D. WoodsTitle Managing MemberTelephone ( 406 ) 292-3372Date 8-12-2021**BOARD USE ONLY**

Approved \_\_\_\_\_

Date \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Oper. No. 5265Bond No. m1

Field Office Review \_\_\_\_\_

Date \_\_\_\_\_

Initial \_\_\_\_\_

Inspection \_\_\_\_\_

Records Review \_\_\_\_\_

Operations \_\_\_\_\_

Oper No. \_\_\_\_\_

Bond No. \_\_\_\_\_

# 7970

83 - 2021



AUG 16 2021

## Instructions for Form 20

MONTANA BOARD OF OIL &  
GAS CONSERVATION, BILLINGS

This form is used to change the Operator of Record for wells. Complete the front portion of this form.

To transfer a number of wells please type: "See attached list" in the **Description of Wells** area and include the list of wells as an attachment.

The list of wells should be separated by lease and sorted by Township, Range, and Section. Wells should be identified as Federal, Indian, Private, or State under lease type. Injection/SWD wells should be identified as such. Plugged and Abandoned wells should not be included for transfer. The list should be in the following format:

<u>API Number</u>	<u>Lease Name</u>	<u>Well Number</u>	<u>Twp. Rge. Sec.</u>	<u>Qtr Qtr</u>	<u>Footage</u>	<u>Lease Type</u>
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The form must be signed by both the current owner/operator (transferor) and the proposed new owner/operator (transferee). The current operator of record will continue to be responsible for any wells and associated equipment or facilities until the transfer is approved by an authorized agent of the Montana Board of Oil and Gas Conservation.

**For large change of operator submissions, if possible, please include a diskette containing the data list.**

The Montana Board of Oil and Gas Conservation may withhold approval of the transfer until the well(s) made the subject of this form is (are) in substantial compliance with all applicable Board rules. All production reports, notices, forms, logs, samples, or other information required by Board law, rule, or order must be on file with the Board. The transferee must be in compliance with the Board's bonding requirements, as provided in Rules 36.22.1308 and 1408 ARM, before the transfer can be approved. A copy of the approved or disapproved Form 20 will be returned to each party.

Parties transferring wells are advised that the identity of responsible persons as defined by Section 82-11-101, MCA, will be determined by the Board's records.

If this form relates to a proposed change in the operator of record for a State of Montana oil and gas lease issued by the Montana Board of Land Commissioners, the parties should send a separate copy of this form to the Montana Department of Natural Resources and Conservation, Trust Lands Management Division, Minerals Management Bureau, 1625 Eleventh Avenue, P.O. Box 201601, Helena Montana 59620-1601.

The proposed new operator should have a current copy of the rules and laws of the Montana Board of Oil and Gas Conservation. Copies of the rules and laws may be obtained from any Board office, or are available on the Internet at <http://www.bogc.dnrc.mt.gov>.

**NOTICE: False or inaccurate information can void the transfer of a well or wells to another operator's bond. Be sure to verify the accuracy of all well descriptions and other information supplied with this form.**

BOARD USE ONLY

CONDITIONS OF APPROVAL

DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION  
BOARD OF OIL AND GAS CONSERVATION



GREG GIANFORTE, GOVERNOR

OIL AND GAS CONSERVATION DIVISION

STATE OF MONTANA

September 10, 2021

Mac McDermott, Member  
MCR, LLC  
PO Box 716  
Shelby, MT 59474

Re: Pending Notice of Intent to Change Operator and Request to Appear

Dear MCR, LLC:

This letter is regarding the Notice of Intent to Change Operator request from Croft Petroleum Co. to MCR, LLC (MCR) that was recently submitted to the Board of Oil and Gas Conservation (Board).

The request and the approval of the request will result in 5 or more inactive wells on MCR's multiple well bond. Due to the Board's transfer of plugging and reclamation policy, the approval of the change of operator request is being referred to the Board. The policy is enclosed.

MCR is requested to appear at the October 14, 2021, public hearing. At that time, the Board will determine if MCR's current \$50,000 multiple well plugging and reclamation bond is adequate prior to the approval of the change of operator request. MCR and its attorney should review the enclosed policy for the suggested information to provide to the Board.

If you have any questions, please contact me at (406) 656-0040 or at [jhalvorson@mt.gov](mailto:jhalvorson@mt.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Jim".

Jim Halvorson  
Administrator / Petroleum Geologist

cc: Croft Petroleum Co.

DIVISION OFFICE  
1539 11th AVENUE  
PO BOX 201601  
HELENA, MONTANA 59620-1601  
(406) 444-6731

TECHNICAL AND  
SOUTHERN FIELD OFFICE  
2535 ST. JOHNS AVENUE  
BILLINGS, MONTANA 59102-4693  
(406) 656-0040

NORTHERN FIELD OFFICE  
201 MAIN STREET  
PO BOX 690  
SHELBY, MONTANA 59474-0690  
(406) 434-2422

84 - 2021

**MONTANA BOARD OF OIL AND GAS CONSERVATION**  
**2535 ST. JOHNS AVENUE BILLINGS, MONTANA 59102**

SEP 09 2021

**Notice of Intent to Change Operator**

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

The undersigned Transferor hereby notifies the Board of Oil and Gas Conservation of its intention to transfer ownership and/or operation of the following wells to the undersigned Transferee:

Lease Name:

**Croft Petroleum Co. Fee Minerals**

Lease type: (Private, State, Federal, Indian)

**Private**

County:

**Toole**

Field name:

**Kicking Horse**

Description of wells: Include API well number, well name and number, and exact location of the well including Township, Range, Section, quarter-quarter and footage measurements, and lease type. (Federal, Indian, Private, State) Attach additional sheets as necessary.

**Croft Petroleum Co.****2 Horseshoes #2****API 25-101-21337****1980 FNL & 1980'FWL****SE/NW Sec. 3-36N-1E****Toole Co., MT****Croft Petroleum Co.****Croft #3-2****API# 25-101-23987****1113' FNL & 2283' FWL****Lot 3 (NE/NW) Sec. 2-36N-1E****Toole Co., MT**

Number of Wells to be Transferred:

2

Effective Date of Transfer:

1-Jun-21**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 Board's 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 **Croft Petroleum Co.**Street Address **214N. Central Ave.**P.O. Box **P.O. Box 397**City, State, ZIP **Cut Bank, MT 59427**

Signed

Print Name **Jerry Croft**Title **President**Telephone ( **406** ) **873-5547**Date **24-Jun-21**Company **MCR, LLC**

Street Address

P.O. Box **P.O. Box 716**City, State, ZIP **Shelby, MT 59474**

Signed

Print Name **Mike McDermott**Title **Member of MCR, LLC**Telephone ( **406** ) **450-5577**Date **7-1-2021****BOARD USE ONLY**

Approved

Date

Name

Title

Oper. No.

**1720**

Bond No.

**m1**

Field Office Review

Date

Initial

Inspection

Records Review

Operations

Oper. No.

**399**

Bond No.

# 7914

84 - 2021 -

## Instructions for Form 20

SEP 09 2021

This form is used to change the Operator of Record for wells. Complete the front portion of this form as indicated.

To transfer a number of wells please type: "See attached list" in the **Description of Wells** area and include the list of wells as an attachment.

The list of wells should be separated by lease and sorted by Township, Range, and Section. Wells should be identified as Federal, Indian, Private, or State under lease type. Injection/SWD wells should be identified as such. Plugged and Abandoned wells should not be included for transfer. The list should be in the following format:

<u>API Number</u>	<u>Lease Name</u>	<u>Well Number</u>	<u>Twp. Rge. Sec.</u>	<u>Qtr Qtr</u>	<u>Footage</u>	<u>Lease Type</u>
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The form must be signed by both the current owner/operator (transferor) and the proposed new owner/operator (transferee). The current operator of record will continue to be responsible for any wells and associated equipment or facilities until the transfer is approved by an authorized agent of the Montana Board of Oil and Gas Conservation.

**For large change of operator submissions, if possible, please include a diskette containing the data list.**

The Montana Board of Oil and Gas Conservation may withhold approval of the transfer until the well(s) made the subject of this form is (are) in substantial compliance with all applicable Board rules. All production reports, notices, forms, logs, samples, or other information required by Board law, rule, or order must be on file with the Board. The transferee must be in compliance with the Board's bonding requirements, as provided in Rules 36.22.1308 and 1408 ARM, before the transfer can be approved. A copy of the approved or disapproved Form 20 will be returned to each party.

Parties transferring wells are advised that the identity of responsible persons as defined by Section 82-11-101, MCA, will be determined by the Board's records.

If this form relates to a proposed change in the operator of record for a State of Montana oil and gas lease issued by the Montana Board of Land Commissioners, the parties should send a separate copy of this form to the Montana Department of Natural Resources and Conservation, Trust Lands Management Division, Minerals Management Bureau, 1625 Eleventh Avenue, P.O. Box 201601, Helena Montana 59620-1601.

The proposed new operator should have a current copy of the rules and laws of the Montana Board of Oil and Gas Conservation. Copies of the rules and laws may be obtained from any Board office, or are available on the Internet at <http://www.bogc.dnrc.mt.gov>.

**NOTICE: False or inaccurate information can void the transfer of a well or wells to another operator's bond. Be sure to verify the accuracy of all well descriptions and other information supplied with this form.**

BOARD USE ONLY

CONDITIONS OF APPROVAL