



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Montana/Dakotas State Office
5001 Southgate Drive
Billings, Montana 59101
<http://www.blm.gov/montana-dakotas>



3-2022 FED
3160 (MT9220.JW)

April 15, 2022

DECISION

Kraken Oil & Gas LLC
c/o John Lee, Attorney
Crowley-Fleck Law Firm
P.O. Box 2529
Billings, MT 59103-2529

)
)
)
)
)

Approval of Increased Well Density

BLM Order No. 3-2022 FED

Kraken Oil & Gas LLC (Kraken) has submitted an application under Bureau of Land Management (BLM) Docket No. 3-2022 FED for an order authorizing the drilling of up to three additional horizontal Bakken/Three Forks Formations wells in the overlapping temporary spacing unit (OTSU) comprised of all of sections 9, 16, 21, and 28, T. 27 N., R. 57 E., M.P.M., Richland and Roosevelt Counties, Montana, at any location not closer than 200 feet (heel/toe setback) and 500 feet (lateral setback) to the exterior boundaries of said OTSU

BLM Order No. 2-2022 FED, insofar as it applies to Indian Trust mineral lands, designated an overlapping temporary spacing unit comprised of all of sections 9, 16, 21, and 28, T. 27 N., R. 57 E., M.P.M., Richland and Roosevelt Counties, Montana for the production of oil and associated natural gas from the Bakken/Three Forks Formations thereunder.

Kraken indicated in its application that the S1/2 of section 9, T. 27 N., R. 57 E. is Indian Trust land. The SE1/4 of said section 9 is Turtle Mountain Allotment No. TM-2618 and is encumbered by oil and gas lease number 14-20-0256-2700. The SW1/4 of said section 9 is Turtle Mountain Allotment No. 1398 and is encumbered by oil and gas lease number 14-20-0256-0030.

The application, insofar as it pertains to Indian Trust mineral lands, was heard by the BLM at a public hearing on April 14, 2022, in the public hearing room of the Montana Board of Oil and Gas Conservation (MBOGC) in Billings, Montana. The MBOGC heard the application to the extent it pertains to non-Indian Trust mineral lands. There were no protests or objections to the application.

RECEIVED

APR 21 2022

36 - 2022

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

Our review of Kraken's geologic evidence and the mineral interests of the area concludes that approval of Kraken's application, as submitted, would not adversely affect the correlative rights of Indian Trust mineral interests.

THEREFORE, your request for an order authorizing the drilling of up to three additional horizontal Bakken/Three Forks Formations wells in the overlapping temporary spacing unit comprised of all of sections 9, 16, 21, and 28, T. 27 N., R. 57 E., M.P.M., Richland and Roosevelt Counties, Montana, at any locations not closer than 200 feet (heel/toe setback) and 500 feet (lateral setback) to the exterior boundaries of said overlapping temporary spacing unit, is hereby approved as BLM Order No. 3-2022 FED insofar as it applies to Indian Trust mineral lands.

The MBOGC will issue a separate Order to the extent it pertains to non-Indian Trust mineral lands.

If the paths of the proposed wellbores are designed to penetrate Indian Trust or Federal mineral lands, those lands must first be leased and an Application for Permit to Drill (APD) must be filed with and approved by the BLM's Miles City Field Office.

IT IS FURTHER ORDERED THAT all the lands within the overlapping temporary spacing unit be communitized by an Indian Communitization Agreement (CA) which has been approved by the Bureau of Indian Affairs.

The original CA should be filed with the Bureau of Indian Affairs, Rocky Mountain Regional Office, Real Estate Services, 2021 4th Avenue North, Billings MT, 59101, with one copy sent to the Superintendent, Fort Peck Agency, Bureau of Indian Affairs, P.O. Box 637, Poplar, MT 59255, and another copy sent to BLM's Miles City Field Office, 111 Garryowen Road, Miles City, MT 59301-0940.

Sincerely,



Andrew R. Gibbs, Chief
Branch of Fluid Minerals

cc: Regional Director
Rocky Mountain Region
Bureau of Indian Affairs
2021 4th Avenue North
Billings, Montana 59101

Superintendent
Fort Peck Agency
Bureau of Indian Affairs
P.O. Box 637
Poplar, MT 59255

RECEIVED

APR 21 2022

36 - 2022

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

Erin Ricci
Montana Board of Oil and Gas Conservation
P.O. Box 201601
Helena, MT 59620-1601

Jim Halvorson
Montana Board of Oil and Gas Conservation
2535 St. Johns Avenue
Billings, MT 59102

Field Manager, Miles City Field Office

36 - 2022

RECEIVED

APR 21 2022

MONTANA BOARD OF OIL &
GAS CONSERVATION • BILLINGS