

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

UPON THE APPLICATION OF CWT OPERATING, LLC TO VACATE BOARD ORDER 102-2015 THAT CREATED A TEMPORARY SPACING UNIT COMPRISED OF THE S½SW¼ OF SECTION 22 AND N½NW¼ OF SECTION 27, T28N-R51E, ROOSEVELT COUNTY, MONTANA, FOR THE PURPOSE OF DRILLING A NISKU FORMATION TEST WELL AT A LOCATION APPROXIMATELY 505' FSL AND 935' FWL IN SECTION 22, AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER 117-2022

Docket No. 125-2022 / 1-2023 FED

Report of the Board

The above entitled cause came on regularly for hearing on December 8, 2022, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Bill Obourn, contract landman, and Jim Ehrets, partner, appeared on behalf of CWT Operating, LLC.
3. No protest to the application of CWT Operating, LLC was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Board Order 102-2015 is hereby vacated.

BOARD ORDER NO. 117-2022

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of December, 2022.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF CWT OPERATING, LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE SW¼ OF SECTION 22, T28N-R51E, ROOSEVELT COUNTY, MONTANA, TO DRILL A TEST WELL FROM THE TOP OF THE KIBBEY FORMATION TO BASE OF THE CHARLES FORMATION AT ANY LOCATION NOT CLOSER THAN 660' FROM THE EXTERIOR BOUNDARIES THEREOF, AS AN EXCEPTION TO A.R.M. 36.22.702. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION. (EAST POPLAR FIELD)

ORDER 118-2022

Docket No. 126-2022

Report of the Board

The above entitled cause came on regularly for hearing on December 8, 2022, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Bill Obourn, contract landman, and Jim Ehrets, partner, appeared on behalf of CWT Operating, LLC (CWT).
3. CWT proposes to drill a well to test from the top of the Kibbey Formation to the base of the Charles Formation at a location not in compliance with statewide spacing rules established by ARM 36.22.702 and East Poplar Field rules established by Board Order 7-1955 and is requesting the designation of a new temporary spacing unit for the well.
4. No protest to the application of CWT was made.
5. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201(4), MCA have been met and that an exception is reasonably necessary.

BOARD ORDER NO. 118-2022

Order

IT IS THEREFORE ORDERED by the Board that the SW¼ of Section 22, T28N-R51E, Roosevelt County, Montana, is designated a temporary spacing unit to drill a test well from the top of the Kibbey Formation to base of the Charles Formation at any location not closer than 660' from the exterior boundaries thereof, as an exception to A.R.M. 36.22.702 and Board Order 7-1955.

IT IS FURTHER ORDERED that applicant must apply for permanent spacing within 90 days of successful well completion.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of December, 2022.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF FORZA OPERATING, LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF THE W½W½ OF SECTION 34, T35N-R1E, TOOLE COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE NISKU FORMATION WITH RESPECT TO THE TURNER 34-1H WELL.

ORDER 120-2022

Docket No. 115-2022

Report of the Board

The above entitled cause came on regularly for hearing on December 8, 2022, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Don Lee, attorney, did not appear at the hearing but submitted a letter requesting the docket to be withdrawn. Forza Operating, LLC filed a new application for the spacing of the Turner 34-1H well, which is on the docket for the Board's next regular meeting.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Docket 115-2022 is withdrawn.

BOARD ORDER NO. 120-2022

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of December, 2022.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO
CONVERT THE CABIN CREEK CH31-17SH WELL IN THE NW¼NE¼
OF SECTION 17, T10N-R58E, FALLON COUNTY, MONTANA (CABIN
CREEK FIELD) TO AN ENHANCED RECOVERY INJECTION WELL
IN THE MADISON FORMATION AT A DEPTH OF 6,968 -7,370 FT.

ORDER 122-2022

Docket No. 129-2022

Report of the Board

The above entitled cause came on regularly for hearing on December 8, 2022, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No protest to the application of Denbury Onshore, LLC was made.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of ARM 36.22.1403 have been met.

Order

IT IS THEREFORE ORDERED by the Board that the application of Denbury Onshore, LLC is granted as applied for, subject to stipulations on the sundry notice.

BOARD ORDER NO. 122-2022

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of December, 2022.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF HYDRA MT LLC TO DRILL THE
LEONARDO 18-1H SWD WELL IN THE NW¼NE¼ OF SECTION 18,
T25N-R59E, RICHLAND COUNTY, MONTANA (FAIRVIEW FIELD)
AS A SALTWATER DISPOSAL WELL IN THE DAKOTA
FORMATION AT A DEPTH OF 4,796-5,720 FT.

ORDER 123-2022

Docket No. 118-2022

Report of the Board

The above entitled cause came on regularly for hearing on December 8, 2022, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No protest to the application of Hydra MT LLC was made.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of ARM 36.22.1403 have been met.

Order

IT IS THEREFORE ORDERED by the Board that the application of Hydra MT LLC is granted as applied for, subject to stipulations on the sundry notice.

BOARD ORDER NO. 123-2022

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of December, 2022.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

REQUEST FOR A CHANGE OF OPERATOR, AND AS REQUIRED BY BOARD POLICY, THE BOARD WILL HOLD A HEARING TO CONSIDER APPROVAL OF THE TRANSFER OF PLUGGING AND RECLAMATION RESPONSIBILITIES FOR 39 WELLS IN GLACIER AND TOOLE COUNTIES, MONTANA, FROM CROFT PETROLEUM CO TO MONTALBAN OIL & GAS OPERATIONS, INC. AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA. OF THE WELLS INVOLVED IN THE TRANSFER, BOARD RECORDS SHOW CROFT PETROLEUM CO IS RESPONSIBLE FOR 22 PRODUCING WELLS COVERED BY A MULTIPLE WELL BOND, 8 INJECTION WELLS WHICH ARE BONDED SEPARATELY, AND 9 FEDERALLY BONDED WELLS. A LIST OF THE WELLS IS AVAILABLE ONLINE OR IN THE BILLINGS OFFICE FOR REVIEW.

ORDER 119-2022

Docket No. 130-2022

Report of the Board

The above entitled cause came on regularly for hearing on December 8, 2022, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Scotti Gray, attorney, and Patrick Montalban, president and CEO, appeared on behalf of Montalban Oil & Gas Operations, Inc. (Montalban).
3. The Board and its staff reviewed Montalban's change of operator request from Croft Petroleum Co (Croft).
4. Montalban has two separate multiple well plugging and reclamation bonds in the amounts of \$50,000 and \$200,000. Montalban proposed increasing its \$50,000 multiple well bond to \$75,000 and proposed a \$50,000 UIC plugging and reclamation bond to cover the eight injection wells.
5. The Board determined that Montalban's proposed plugging and reclamation bonds are adequate and in accordance with ARM 36.22.1308(3).
6. No protest to the application of Montalban was made.
7. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

BOARD ORDER NO. 119-2022

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that staff may proceed with administrative review and approval of the change of operator request.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of December, 2022.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE SEYMOUR,
JAMES & LORRAINE TO APPEAR AND SHOW CAUSE, IF ANY IT
HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD
NOT BE FORFEITED FOR FAILURE TO BEGIN TO PLUG AND
ABANDON ITS STATE 8-8 WELL, API # 25-101-22239, LOCATED IN
THE W½SE¼NE¼ OF SECTION 8, T37N-R4W, TOOLE COUNTY,
MONTANA, PRIOR TO THE DECEMBER 8, 2022, PUBLIC HEARING.

ORDER 121-2022

Docket No. 132-2022

Report of the Board

The above entitled cause came on regularly for hearing on December 8, 2022, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Seymour, James & Lorraine (Seymour).
3. Seymour has not paid the outstanding fine of \$1,120. This fine amount includes a \$120 penalty for delinquent reporting and \$1,000 for failure to appear at the June 16, 2022, public hearing.
4. Board staff had previously been in contact with James Seymour. He indicated that Seymour would be unable to pay the fine. Seymour has one well on its bond with the last reported production in 2012.
5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met, and has not shown cause why its bond should not be forfeited.

Order

IT IS THEREFORE ORDERED by the Board that the plugging and reclamation bond for Seymour, James & Lorraine is hereby forfeited.

BOARD ORDER NO. 121-2022

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of December, 2022.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Roy Brown, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Joseph Michael Weber, Board Member

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist