

RECEIVED

JUL 06 2023

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

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

IN THE MATTER OF THE APPLICATION OF GRAYSON MILL OPERATING, LLC FOR AN ORDER CREATING AN OVERLAPPING TEMPORARY SPACING UNIT ("OTSU") COMPRISED OF ALL OF SECTIONS 3, 10 AND 15, TOWNSHIP 28 NORTH, RANGE 59 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200' (HEEL TOE SETBACK) / 500' (LATERAL SETBACK) TO THE BOUNDARIES OF THE OTSU, CLARIFYING MBOGC ORDER NOS. 305-2012 AND 620-2012, VACATING MBOGC ORDER NOS. 306-2012 AND 621-2012, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE.

MBOGC DOCKET NO. 01-2023

APPLICATION

GRAYSON MILL OPERATING, LLC, 840 W. SAM HOUSTON PARKWAY N, #300, HOUSTON, TX 77024:

[A] Presents the following application:

1. Applicant is an interest owner within all or portions of Sections 3, 10 and 15, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana. Sections 3 and 10 are presently subject to MBOGC Order Nos. 304-2012, 305-2012 and 306-2012, and Grayson Mill Operating, LLC operates the Stateline 5-1003H well located in the PSU boundaries comprised of all of Sections 3 and 10, Township 28 North, Range 59 East. Section 15 is presently subject to MBOGC Order Nos. 619-2012, 620-2012 and 621-2012, and Grayson Mill Operating, LLC operates the Stateline 3-1522H well located in the PSU boundaries comprised of all of Sections 15 and 22, Township 28 North, Range 59 East.

2. To more efficiently and economically recover Bakken/Three Forks formation reserves underlying the captioned lands, Applicant proposes to drill a horizontal Bakken/Three Forks formation well at a location within, but not closer than 200' (heel toe setback) / 500' (lateral setback) to the exterior boundaries of, an OTSU comprised of all of Sections 3, 10 and 15, Township 28 North, Range 59 East, M.P.M. To preserve correlative rights of all interest owners in Sections 3 and 10, MBOGC Order No. 305-2012 should be amended to clarify that said order is limited to oil and associated natural gas produced from the Bakken/Three Forks formation from the Stateline 5-1003H well. To preserve correlative rights of all interest owners in Sections 15 and 22, MBOGC Order No. 620-2012 should be amended to clarify that said order is limited to oil and associated natural gas produced from the Bakken/Three Forks formation from the Stateline 3-1522H well. It will also be necessary to vacate MBOGC Order Nos. 306-2012 and 621-2012.

3. Applicant will, within 90 days of successful completion of the proposed horizontal operation, file an application for the Board's consideration of permanent spacing and other matters relating to production from said well.


[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU;

2. After hearing the matter, the Board enter its order (i) creating an OTSU comprised of ALL of Sections 3, 10 and 15, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana, and authorizing the drilling of a horizontal Bakken/Three Forks formation well at any location within such OTSU but not closer than 200' (heel toe setback) / 500' (lateral setback) to the exterior boundaries thereof; (ii) amending MBOGC Order No. 305-2012 to clarify that the order is limited to oil and associated natural gas produced from the Bakken/Three Forks formation from the Stateline 5-1003H well; (iii) amending MBOGC Order No. 620-2012 to clarify that the order is limited to oil and associated natural gas produced from the Bakken/Three Forks formation from the Stateline 3-1522H well; and (iv) vacating MBOGC Order Nos. 306-2012 and 621-2012.

Dated this 29<sup>th</sup> day of June, 2023.

**GRAYSON MILL OPERATING, LLC**

By  \_\_\_\_\_  
Uriah J. Price, Its Attorney  
Crowley Fleck, PLLP  
P. O. Box 10969  
Bozeman, MT 59719  
[uprice@crowleyfleck.com](mailto:uprice@crowleyfleck.com)

**RECEIVED**

**JUL 06 2023**

RECEIVED

BEFORE THE BOARD OF OIL AND GAS CONSERVATION JUL 06 2023  
OF THE STATE OF MONTANA

MONTANA BOARD OF OIL &  
GAS CONSERVATION - BILLINGS

IN THE MATTER OF THE APPLICATION OF GRAYSON MILL OPERATING, LLC FOR AN ORDER AUTHORIZING THE DRILLING OF UP TO THREE (3) ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE OVERLAPPING TEMPORARY SPACING UNIT ("OTSU") COMPRISED OF ALL OF SECTIONS 3, 10 AND 15, TOWNSHIP 28 NORTH, RANGE 59 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, AT ANY LOCATION NOT CLOSER THAN 200' (HEEL TOE SETBACK) / 500' (LATERAL SETBACK) TO THE BOUNDARIES OF THE OTSU, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE.

MBOGC DOCKET NO. 82-2023  
APPLICATION

GRAYSON MILL OPERATING, LLC, 840 W. SAM HOUSTON PARKWAY N, #300, HOUSTON, TX 77024:

[A] Presents the following application:

1. Applicant is an interest owner and operator within all or portions of Sections 3, 10 and 15, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana. It is anticipated that such lands will comprise an overlapping temporary spacing unit ("OTSU") for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. \_\_\_-2023.

2. Applicant requests authority to drill up to three (3) additional horizontal Bakken/Three Forks formation wells within the OTSU, at any location not closer than 200' (heel toe setback) / 500' (lateral setback) to the exterior boundaries thereof, if in its judgment as operator of the OTSU such operations appear reasonable and prudent.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU;

2. After hearing the matter, the Board enter its order authorizing the Applicant to drill up to three (3) additional horizontal Bakken/Three Forks formation wells at any location within, but not closer than 200' (heel toe setback) / 500' (lateral setback) to the exterior boundaries of, the OTSU comprised of Sections 3, 10 and 15, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana.

Dated this 29<sup>th</sup> day of June, 2023.

GRAYSON MILL OPERATING, LLC

By UPR  
Uriah J. Price, Its Attorney  
Crowley Fleck, PLLP  
P. O. Box 10969  
Bozeman, MT 59719  
[uprice@crowleyfleck.com](mailto:uprice@crowleyfleck.com)

RECEIVED

JUL 06 2023

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

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

IN THE MATTER OF THE APPLICATION OF GRAYSON MILL OPERATING, LLC FOR AN ORDER CREATING AN OVERLAPPING TEMPORARY SPACING UNIT ("OTSU") COMPRISED OF ALL OF SECTIONS 22, 27 AND 34, TOWNSHIP 28 NORTH, RANGE 59 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200' (HEEL TOE SETBACK) / 500' (LATERAL SETBACK) TO THE BOUNDARIES OF THE OTSU, CLARIFYING MBOGC ORDER NOS. 106-2014 AND 620-2012, VACATING MBOGC ORDER NOS. 107-2014 AND 621-2012, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE.

MBOGC DOCKET NO. 83-2023

APPLICATION

GRAYSON MILL OPERATING, LLC, 840 W. SAM HOUSTON PARKWAY N, #300, HOUSTON, TX 77024:

**[A] Presents the following application:**

1. Applicant is an interest owner within all or portions of Sections 22, 27 and 34, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana. Sections 27 and 34 are presently subject to MBOGC Order Nos. 105-2014, 106-2014 and 107-2014, and Grayson Mill Operating, LLC operates the Stateline 14-3427H well located in the PSU boundaries comprised of all of Sections 27 and 34, Township 28 North, Range 59 East. Section 22 is presently subject to MBOGC Order Nos. 619-2012, 620-2012 and 621-2012, and Grayson Mill Operating, LLC operates the Stateline 3-1522H well located in the PSU boundaries comprised of all of Sections 15 and 22, Township 28 North, Range 59 East.

2. To more efficiently and economically recover Bakken/Three Forks formation reserves underlying the captioned lands, Applicant proposes to drill a horizontal Bakken/Three Forks formation well at a location within, but not closer than 200' (heel toe setback) / 500' (lateral setback) to the exterior boundaries of, an OTSU comprised of all of Sections 22, 27 and 34, Township 28 North, Range 59 East, M.P.M. To preserve correlative rights of all interest owners in Sections 27 and 34, MBOGC Order No. 106-2014 should be amended to clarify that said order is limited to oil and associated natural gas produced from the Bakken/Three Forks formation from the Stateline 14-3427H well. To preserve correlative rights of all interest owners in Sections 15 and 22, MBOGC Order No. 620-2012 should be amended to clarify that said order is limited to oil and associated natural gas produced from the Bakken/Three Forks formation from the Stateline 3-1522H well. It will also be necessary to vacate MBOGC Order Nos. 107-2014 and 621-2012.

3. Applicant will, within 90 days of successful completion of the proposed horizontal operation, file an application for the Board's consideration of permanent spacing and other matters relating to production from said well.

**[B] Requests:**


1. This matter be set for hearing, with notice given as required by law and the MOU;

2. After hearing the matter, the Board enter its order (i) creating an OTSU comprised of ALL of Sections 22, 27 and 34, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana, and authorizing

the drilling of a horizontal Bakken/Three Forks formation well at any location within such OTSU but not closer than 200' (heel toe setback) / 500' (lateral setback) to the exterior boundaries thereof; (ii) amending MBOGC Order No. 106-2014 to clarify that the order is limited to oil and associated natural gas produced from the Bakken/Three Forks formation from the Stateline 14-3427H well; (iii) amending MBOGC Order No. 620-2012 to clarify that the order is limited to oil and associated natural gas produced from the Bakken/Three Forks formation from the Stateline 3-1522H well; and (iv) vacating MBOGC Order Nos. 107-2014 and 621-2012.

Dated this 29<sup>th</sup> day of June, 2023.

**GRAYSON MILL OPERATING, LLC**

By   
Uriah J. Price, Its Attorney  
Crowley Fleck, PLLP  
P. O. Box 10969  
Bozeman, MT 59719  
[uprice@crowleyfleck.com](mailto:uprice@crowleyfleck.com)

**RECEIVED**  
**JUL 06 2023**  
MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

RECEIVED

JUL 06 2023

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

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

IN THE MATTER OF THE APPLICATION OF GRAYSON MILL OPERATING, LLC FOR AN ORDER AUTHORIZING THE DRILLING OF UP TO THREE (3) ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE OVERLAPPING TEMPORARY SPACING UNIT ("OTSU") COMPRISED OF ALL OF SECTIONS 22, 27 AND 34, TOWNSHIP 28 NORTH, RANGE 59 EAST, M.P.M., ROOSEVELT COUNTY, MONTANA, AT ANY LOCATION NOT CLOSER THAN 200' (HEEL TOE SETBACK) / 500' (LATERAL SETBACK) TO THE BOUNDARIES OF THE OTSU, AND SUCH OTHER AND FURTHER RELIEF AS THE MBOGC MAY DEEM APPROPRIATE.

MBOGC DOCKET NO. 84-2023

APPLICATION

GRAYSON MILL OPERATING, LLC, 840 W. SAM HOUSTON PARKWAY N, #300, HOUSTON, TX 77024:

[A] Presents the following application:

1. Applicant is an interest owner and operator within all or portions of Sections 22, 27 and 34, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana. It is anticipated that such lands will comprise an overlapping temporary spacing unit ("OTSU") for purposes of Bakken/Three Forks formation production pursuant to Montana Board of Oil and Gas Conservation Order No. \_\_\_-2023.

2. Applicant requests authority to drill up to three (3) additional horizontal Bakken/Three Forks formation wells within the OTSU, at any location not closer than 200' (heel toe setback) / 500' (lateral setback) to the exterior boundaries thereof, if in its judgment as operator of the OTSU such operations appear reasonable and prudent.

[B] Requests:

1. This matter be set for hearing, with notice given as required by law and the MOU;

2. After hearing the matter, the Board enter its order authorizing the Applicant to drill up to three (3) additional horizontal Bakken/Three Forks formation wells at any location within, but not closer than 200' (heel toe setback) / 500' (lateral setback) to the exterior boundaries of, the OTSU comprised of Sections 22, 27 and 34, Township 28 North, Range 59 East, M.P.M., Roosevelt County, Montana.

Dated this 29<sup>th</sup> day of June, 2023.

GRAYSON MILL OPERATING, LLC

By



Uriah J. Price, Its Attorney  
Crowley Fleck, PLLP  
P. O. Box 10969  
Bozeman, MT 59719  
[uprice@crowleyfleck.com](mailto:uprice@crowleyfleck.com)



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

GREG GIANFORTE, GOVERNOR

OIL AND GAS CONSERVATION DIVISION



STATE OF MONTANA

July 10, 2023

Juan Cruz Aguilar, CFO  
Wildcat Fluid Solutions LLC  
PO Box 1389  
Sidney, MT 59270

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

Dear Wildcat Fluid Solutions LLC:

This letter is regarding the Notice of Intent to Change Operator requests from Black Gold Energy Resource Development, LLC and Black Gold Energy Richland Facility, Inc. to Wildcat Fluid Solutions LLC that was recently submitted to the Board of Oil and Gas Conservation (Board).

The Board and its staff have reviewed the requests and the transfers involve two commercial disposal wells for which the primary purpose is for-profit disposal of oil and gas wastes not generated by the well operator. Due to the Board's transfer of plugging and reclamation policy, the approval of the change of operator requests are being referred to the Board. The policy is enclosed. Wildcat Fluid Solutions LLC is requested to appear at the August 10, 2023, public hearing. At that time, the Board will determine if Wildcat Fluid Solutions LLC's proposed well plugging and reclamation bond is adequate prior to the approval of the change of operator request. Wildcat Fluid Solutions LLC and its attorney should review the enclosed policy for the suggested information to provide to the Board.

**Please take note that corporations, partnerships, limited-liability companies (LLCs), or any other legal entity that is not a natural person cannot appear before the Board except through an attorney licensed to practice law in the State of Montana. Failure of a designated and duly licensed legal representative to appear at the time and place identified in this hearing notice may result in imposition of sanctions for failure to appear before the Board.**

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Ben Jones".

Benjamin Jones  
Administrator / Petroleum Engineer

cc: Black Gold Energy Resource Development, LLC  
Black Gold Energy Richland Facility, Inc.  
Lee Law Office

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

101-2023

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

**RECEIVED**

**JUL 06 2023**

**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: <b>INDIAN MOUND WELL #1</b>	Lease type:(Private, State, Federal, Indian) <b>PRIVATE</b>
--	--

County: <b>RICHLAND</b>	Field name: <b>BOX CANYON</b>
----------------------------	----------------------------------

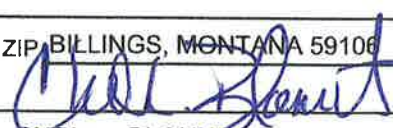
Description of wells: Include API well number, well name and number, and exact location of the well including Township, Range, Section, quarter-quarter and footage measurements, and lease type. ( Federal, Indian, Private, State) Attach additional sheets as necessary.


API#25-083-21377  
**VELMA 4-10H INDIAN MOUND #1**  
 SEC. 15 23N 55E  
 PRIVATE  
 ACTIVE INJECTION / SWD

Number of Wells to be Transferred: 1 Effective Date of Transfer: 08/10/2023

**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 BLACK GOLD ENERGY RES. DEV. LLC  
 Street Address 5646 HESPER ROAD  
 P.O. Box \_\_\_\_\_  
 City, State, ZIP BILLINGS, MONTANA 59106  
 Signed   
 Print Name CHRIS L. BLOUNT  
 Title PRESIDENT  
 Telephone ( 406 ) 698-6170  
 Date 07/01/2023

Company WILDCAT FLUID SOLUTIONS LLC  
 Street Address 2603 S CENTRAL AVE  
 P.O. Box 1389  
 City, State, ZIP SIDNEY, MT 59270  
 Signed   
 Print Name JUAN CRUZ AGUILAR  
 Title CHIEF FINANCIAL OFFICER  
 Telephone ( 406 ) 488-9773  
 Date 07/01/2023

**BOARD USE ONLY**

Approved \_\_\_\_\_  
 Date \_\_\_\_\_  
 \_\_\_\_\_  
 Name Title

Field Office Review	Date	Initial
Inspection	_____	_____
Records Review	_____	_____
Operations	_____	_____

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

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

#9096

101-2023



JUL 06 2023

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 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:

API Number   Lease Name   Well Number   Twp. Rge. Sec.   Qtr Qtr   Footage   Lease Type

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