

4/10/2024

Re: The Harmon 1-29 Well

Dear Members of the Board:

Garth and Wagner Harmon (the "Harmons"), respectfully request that, if the Board has authority to do so, the Board issue an order directing White Rock Oil and Gas ("White Rock") to plug and abandon the Harmon 1-29 well (API # 25-085-21140) located in Roosevelt County, Montana. Alternatively, the Harmons request that the Board support legislation preventing oil companies that prove to be bad actors from profiting at the expense of innocent surface owners. This request stems from the Harmon's experience with White Rock Oil and Gas and White Rock's failures as Operators of the Harmon 1-29 well.

In 2015, White Rock became the Operator of the Harmon 1-29 well. Despite the Harmon 1-29 producing oil and gas in paying quantities, White Rock inexplicably shut in the well in August of 2020. The decision by White Rock to shut in the productive Harmon 1-29 has caused the Harmons to lose royalty payments. Additionally, White Rock has been a terrible steward of the Harmons property. According to the most recent inspection report from the, the Harmon 1-29 location has "berms washed out, fences down, road washing out, tank battery separate from location, unit laid down, well head bull plugged, treater shack collapsed, and tin out of berm, oily hose connected to the load line." Additionally, the well requires fire walls. See Exhibit A.

In Montana, there is an implied covenant that the oil companies will use reasonable diligence in searching for and marketing oil and gas on a leased premises. *Berthelote v. Loy Oil Co.* 95 Mont. 434 (1933). Additionally, if the company is found to be a willful trespasser, it may lose its rights to the well. *Edington v. Creek Oil Co.*, 213 Mont. 112 (1984). The Harmon's believe that, by failing to market oil from the Harmon 1-29 and allowing the well site to fall into disrepair, White Rock has become a willful trespasser and breached their lease with the Harmons, forfeiting their rights to the Harmon 1-29.

Under Montana law and regulations, it is unclear whether the Board has authority to order the plugging and abandonment of wells in situations such as this. Requiring White Rock to properly plug and abandon this well is necessary to protect public health and safety, prevent waste, and safeguard the environment. The Harmons believe that the Board should have clear, unequivocal authority to order bad actors to plug and abandon wells.

We respectfully ask that the Board support legislation that would allow the Board to order bad actors, like White Rock, to plug and abandon wells within a reasonable time period set by the Board. Please do not hesitate to contact the Harmons if you need any additional information regarding this request. Thank you for your consideration.

Sincerely,

Garth Harmon and Wagner Harmon

EXHIBIT A

API #: 25 - 085 - 21140

Date: 2 / 1 / 2024

Inspection Report

Montana Board of Oil and Gas Conservation

01/2014

UIC:  Oil / Gas / Other:

Exception / Violation: Yes:

Inspector: MARK WOODMAN

RECEIVED

Date Operator Notified: \_\_\_\_\_

Arrival Time: 10:40 am

FEB 08 2024

Date Remedy Required: \_\_\_\_\_

Operator Representative(s): MONTANA BOARD OF OIL & GAS CONSERVATION - BILLINGS

Others Present: \_\_\_\_\_

Well Name: Harmon 1-29 Q: NENE Sec.: 29 Township: 27N Range: 58E

Operator: White Rock Oil & Gas, LLC Field: OXBOW

Latitude / Longitude, NAD83 decimal degrees (if taken): 48.06848, -104.24688

Failed Items or Violation Description:

36.22.1102 Fire Walls Required.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Inspection Type

- Routine / Periodic  Pre-drill / Well Permitting
- Change of Operator  Pre-regulatory / Orphan
- Complaint Response  Remediation / Restoration
- Compliance Verification  Plugging Witnessed
- Construction  SRA / Expiration
- Drilling / Service Rig  Seismic Inspection
- Emergency Response
- Pit Inspection

Class II UIC Wells

Injecting:  Tubing Pressure: \_\_\_\_\_ PSI  
Not Injecting:  Annulus Pressure: \_\_\_\_\_ PSI

Non-UIC Wells

Oil Well:  Producing:   
Gas Well:  Shut-In / TA:   
Other: \_\_\_\_\_ Abandoned:

Comments / Description

Picture:

Berms washed out, fences down, Road washing out  
Tank battery separate from location. Unit layed down  
well head Bull plugged. Treater shack collapsed  
and tin out of berm. Oily hose connected to flow line

\_\_\_\_\_  
\_\_\_\_\_

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FEB 05 2024

Montana Board of Oil & Gas Cons. - Shelby

29

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*SUMMARY PAGE*

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4/10/2024 Business Meeting

**RESPONDENT:** Digital Operating Company- Richland, Roosevelt, Sheridan, and Wibaux Counties, Montana

- Digital Operating Company presentation of future plans at change of operator hearing on October 5, 2023, to the board. Docket 118-2023, was heard and Order 100-2023 was issued.
  - Operator planned to plug 3 wells and return 5 to production before end of year.
- As of April 10, 2024, Operator:
  - Claims to have returned 5 wells to production at Docket 118-2023 hearing.
    - BOGC has 7 total wells on production currently. Increase of 2 wells returned to production since Docket 118-2023 was heard.
    - However, we have not seen production reports for February 2024 and March 2024. Operator could have returned wells to production at that time.
  - No wells have been plugged.
    - BOGC has received Intent to Abandon plans for the Belezza 1-24. Plans have been approved by BOGC staff.
- Current Shut In Well Status is 57%.

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 THREE WELLS IN SHERIDAN COUNTY, MONTANA, FROM OKIE CRUDE COMPANY TO DIGITAL OPERATING COMPANY AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA. A LIST OF THE WELLS IS AVAILABLE ONLINE OR IN THE BILLINGS OFFICE FOR REVIEW.

ORDER 100-2023

Docket No. 118-2023

Report of the Board

The above entitled cause came on regularly for hearing on October 5, 2023, 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. Member Paul Gatzemeier was absent. 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, Fred Soliz, petroleum engineer, and Amy Close, geologist, appeared on behalf of Digital Operating Company (Digital Operating).
3. The Board and its staff reviewed Digital Operating's change of operator request from Okie Crude Company.
4. Digital Operating plans to plug three wells and return five inactive wells to production before the end of the year.
5. The Board determined that Digital Operating's existing \$50,000 multiple well plugging and reclamation bond is adequate and in accordance with ARM 36.22.1308.
6. No protest to the application of Digital Operating 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.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

BOARD ORDER NO. 100-2023

Order

IT IS THEREFORE ORDERED by the Board that staff will provide the Board an update at the April 10, 2024, business meeting of Digital Operating's progress to reduce its plugging liability.

IT IS FURTHER ORDERED 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 5<sup>th</sup> day of October, 2023.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

\_\_\_\_\_  
Steven Durrett, Chairman

\_\_\_\_\_  
Paul Gatzemeier, Vice-Chairman (absent)

\_\_\_\_\_  
Roy Brown, Board Member

\_\_\_\_\_  
Mac McDermott, Board Member

\_\_\_\_\_  
W. John Tietz, Board Member

\_\_\_\_\_  
Corey Welter, Board Member

\_\_\_\_\_  
Jeff Wivholm, Board Member

ATTEST:

\_\_\_\_\_  
Jennifer Breton, Program Specialist

# Shut-In Wells by Operator

4/8/2024  
1:40:20 PM

895      A  
Digital Operating Company LLC      / Well      21      12      57%

T1	UIC Single Well Bond	\$10,000	\$10,000.00	1	0	0%
M1	Multiple Well Bond	\$50,000	\$2,500.00	20	12	60%

SI Two to Five Years	SI Five to Ten Years	SI Greater than Ten Years	Total
3	6	3	12

895/M1	Multiple Well Bond								Last Non-Zero
895 M1	109-21088	Stinger 41-12	17N-58E-12	NE NE	1288 FNL, 660 FEL	SI	OIL	8/31/2019	
895 M1	083-21875	Bellezza 1-24	23N-53E-24	NW SW	2200 FSL, 660 FWL	SI	OIL	3/31/2014	
895 M1	083-21171	Watts 2	24N-59E-22	E2 NW NW	660 FNL, 990 FWL	SI	OIL	8/31/2019	
895 M1	083-21257	Gifford 34-35	27N-53E-35	SW SE	660 FSL, 1750 FEL	SI	OIL	8/31/2015	
895 M1	085-21460	Dethman 1-12HR	27N-57E-12	SW SE	661 FSL, 1993 FEL	SI	OIL	1/31/2016	
895 M1	091-21478	Christensen 12-1	32N-58E-12	SE SW	330 FSL, 1460 FWL	SI	OIL	7/31/2013	
895 M1	091-21550	Brekke A-2	33N-55E-1	NW SE	1560 FSL, 1740 FEL	SI	OIL	3/31/2015	
895 M1	091-21546	I.S. Brekke A-1	33N-55E-1	NW SE	1475 FSL, 2250 FEL	SI	OIL	3/31/2015	
895 M1	091-21549	Holje A-2	33N-55E-12	SE NW	2150 FNL, 1450 FWL	SI	OIL	10/31/1995	
895 M1	091-21547	Holje A-1	33N-55E-12	SE NW	1950 FNL, 1650 FWL	SI	OIL	10/31/2008	
895 M1	091-21183	Miller 2	33N-57E-28	SW NW SE	1350 FSL, 2650 FWL	SI	OIL	5/31/2019	
895 M1	091-21174	Miller 1	33N-57E-28	SE NW	1860 FNL, 1980 FWL	SI	OIL	10/31/2015	

1 Operator(s) Included in Report

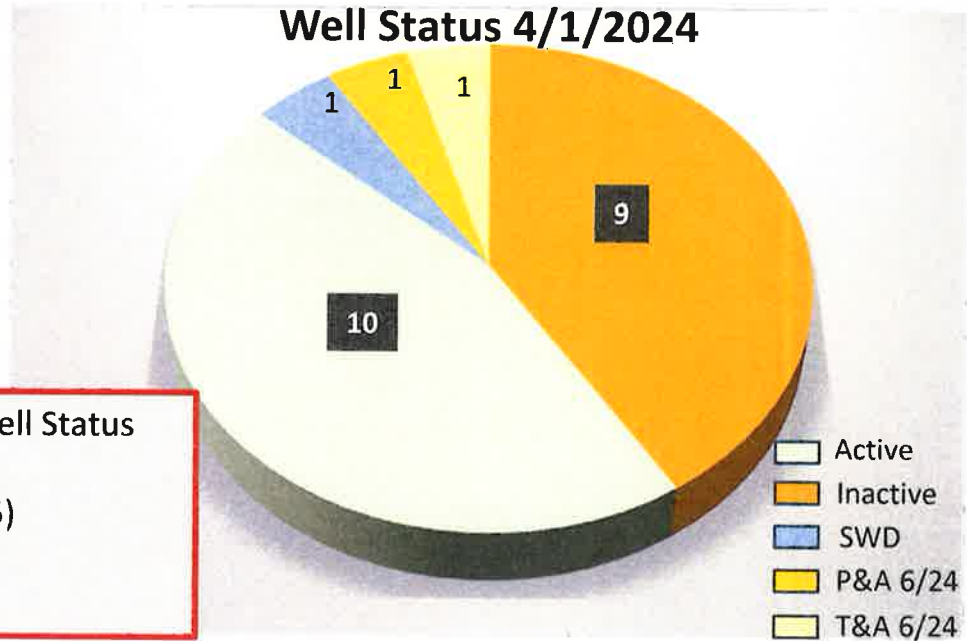
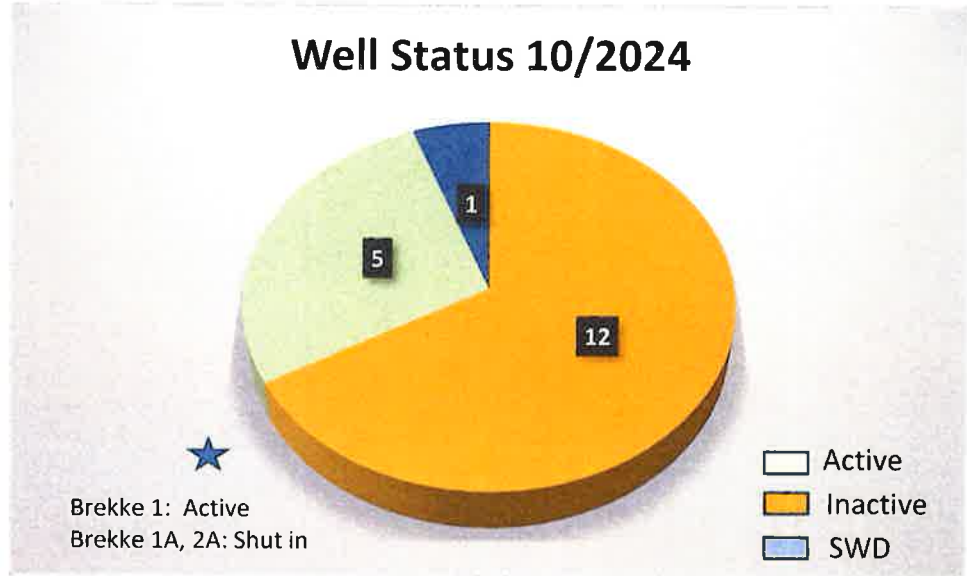
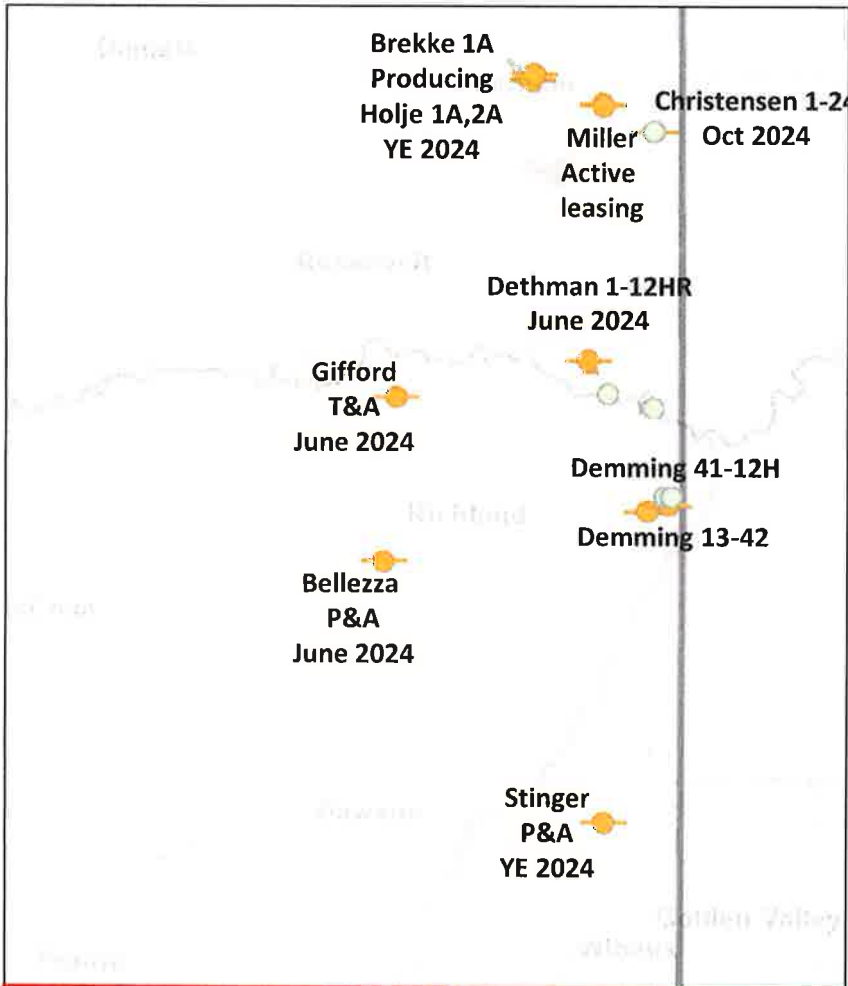
# Agenda and Remarks

- Digital Operating Company Background
- YE 2023 and 2024 Budgeted Operations
- YE 2023 and 1Q2024 Operations
- Remarks:
  - We have doubled the number of active wells
  - Due to higher cost 3 planned RTPs second half 2024



# Current Status

Update  
4/10/24



Current Well Status	Planned 2024 Year-End Well Status
10 Active	15 Active
9 Inactive	4 Inactive (RTP planned 2025)
1 P&A approved	1 P&A
1 T&A Sundry in progress	1 T&A

# Budgeted Operations

Docket 118-2023  
10/5/23

## RTP (YE 2023/2024)

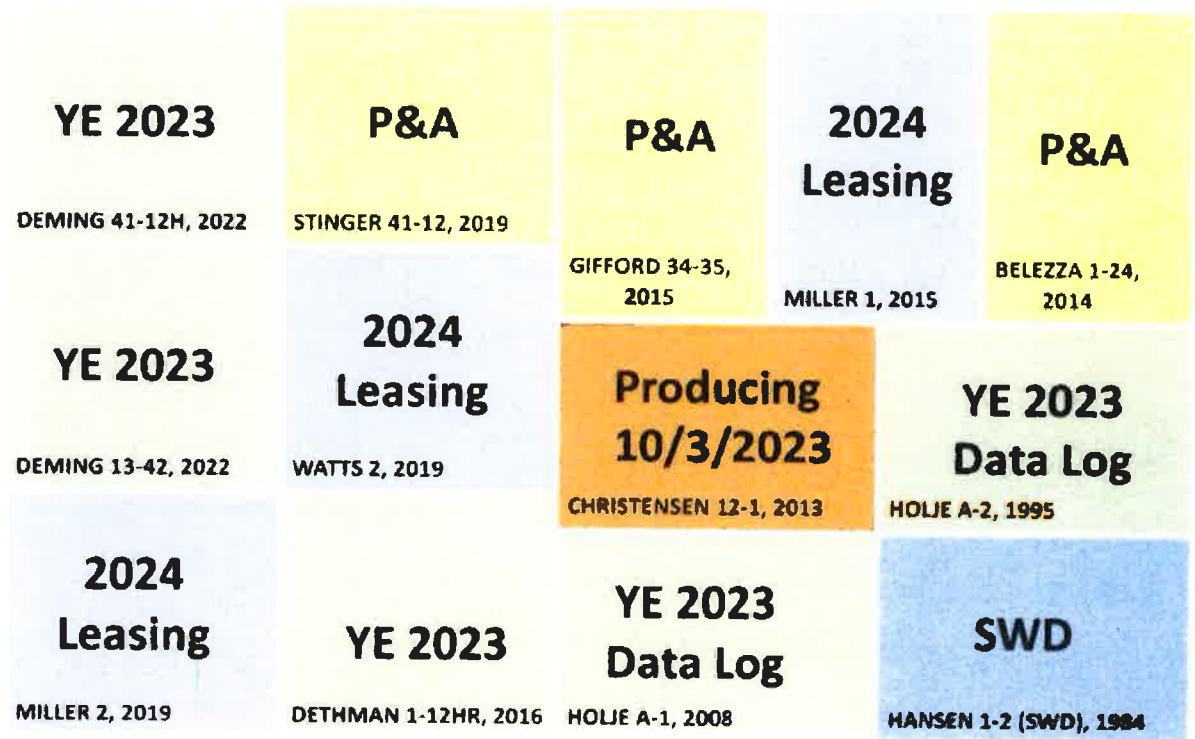
- Christensen 12-1
- Deming 41-12H (waiting on rig)
- Dethman 1-12HR
- Deming 13-42
- Holje A-1
- Holje A-2
- Miller 1
- Miller 2
- Watts 2

## P&A Plan (YE 2023/2024)

Belezza 1-24

Gifford 34-35

Stinger 41-12



# Budgeted Operations with Actuals

Update  
4/10/24

## RTP (YE 2023/2024)

- Christensen 12-1
- Deming 41-12H
- Dethman 1-12HR
- Deming 13-42
- Holje A-1
- Holje A-2
- Miller 1
- Miller 2
- Watts 2
- Brekke 1A



## P&A Plan (YE 2023/2024)

- Belezza 1-24
- Gifford 34-35
- Stinger 41-12

Producing YE 2023 <small>DEMING 41-12H, 2022</small>	YE 2024 P&A <small>STINGER 41-12, 2019</small>	TA June 2024 P&A <small>GIFFORD 34-35, 2015</small>	Terms agreed 2024 Leasing <small>MILLER 1, 2015</small>	Approved June 2024 P&A <small>BELEZZA 1-24, 2014</small>
Producing YE 2023 <small>DEMING 13-42, 2022</small>	2024 Leasing <small>WATTS 2, 2019</small>	Inactive Producing 10/3/2023		Postponed YE 2023 Data Log <small>HOLJE A-2, 1995</small>
Terms agreed 2024 Leasing <small>MILLER 2, 2019</small>	Postponed June 2024 YE 2023 <small>DETHMAN 1-12HR, 2016</small>	Postponed YE 2023 Data Log <small>HOLJE A-1, 2008</small>		SWD <small>HANSEN 1-2 (SWD), 1984</small>

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

IN THE MATTER OF DIGITAL OPERATING COMPANY  
LLC AND ITS PROGRESS TO REDUCE ITS PLUGGING  
LIABILITY.

ADMINISTRATIVE ORDER 1-A-2024

In 2021, Digital Operating Company LLC (Digital Operating) acquired 18 wells from Abraxas Petroleum Corporation. At that time, there were nine wells that had not reported production in over two years. In October 2023, Digital Operating appeared at the public hearing regarding the acquisition of three producing wells in Sheridan County, Montana from Okie Crude Company. Two of the three wells in that transfer did not have reported production in over two years. At that hearing, Digital Operating testified that it planned to plug three wells and return five wells to production before the end of the year.

Digital Operating has returned some inactive wells to production; however, Board records indicate the number of wells that have not had reported production in over two years has remained at the same level following approval of the last transfer. Digital Operating has filed an intent to abandon its Belezza 1-24 well but has yet to plug any of the three wells it had planned to.

IT IS THEREFORE ORDERED by the Board that Digital Operating is to appear at the Board's October 9, 2024, business meeting to provide an update of its actions taken to reduce its plugging liability.

Dated this 10<sup>th</sup> day of April, 2024

Montana Board of Oil and Gas Conservation

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Benjamin Jones, Administrator

**Delinquent Annual Injection Well Fee**

**Bootstrap Oil LLC**

Injection well 25-091-21627

- Last injection in Apr 2023
- An invoice was sent to Bootstrap in Nov 2023
- A reminder letter was sent on Feb 8, 2024
- A certified letter was sent on March 4, 2024

**Coalridge Disposal and Petroleum Inc**

Injection wells 25-091-21227 & 25-091-21397

- 25-091-21227 - last injection Nov 1996
- 25-091-21397 - last injection Aug 2017
- An invoice was sent to Coalridge in Nov 2023
- A reminder letter was sent on Feb 14, 2024
- A certified letter was sent on March 4, 2024

**Recommendation**

- Assess \$100 fine per injection well.
- Order each operator to show-cause at the June hearing why additional penalties should not be imposed for failure to pay the annual injection fee for its permitted injection wells and the late fee assessed for nonpayment.
- Request Board staff have authority to dismiss the docket if operator achieves compliance prior to the June public hearing.

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

IN THE MATTER OF BOOTSTRAP OIL LLC FOR FAILURE  
TO PAY THE ANNUAL INJECTION FEE FOR ITS DARYLE  
SYME 5-2 WELL, API # 25-091-21627 IN SHERIDAN  
COUNTY, MONTANA, IN ACCORDANCE WITH ARM  
36.22.1423.

ADMINISTRATIVE ORDER 2-A-2024

Bootstrap Oil LLC (Bootstrap) is the operator of the Daryle Syme 5-2 well, API # 25-091-21627, located in the NE¼ of Section 5, T37N-R55E, Sheridan County, Montana. In accordance with ARM 36.22.1423, a \$200 annual injection fee is due for each permitted injection well.

At the April 10, 2024, business meeting, staff reported that Bootstrap has not paid the annual injection fee that was due on January 31, 2024. Staff made several attempts to contact the operator. At this meeting, the Board assessed Bootstrap a \$100 per well late fee for failure to submit its injection well payment prior to the deadline.

IT IS THEREFORE ORDERED by the Board that Bootstrap is assessed a \$100 late fee for failure to pay the annual injection well fee by January 31, 2024. The total due in injection well fees and penalties is now \$300.

IT IS FURTHER ORDERED by the Board that Bootstrap must appear and show cause, if any it has, why additional penalties should not be imposed for failure to pay the annual injection fee for its permitted injection well and the late fee assessed for nonpayment. Board staff has authority to dismiss the docket if Bootstrap achieves compliance prior to the June 13, 2024, public hearing.

Dated this 10<sup>th</sup> day of April, 2024

Montana Board of Oil and Gas Conservation

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Benjamin Jones, Administrator

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

IN THE MATTER OF COALRIDGE DISPOSAL AND  
PETROLEUM, INC. FOR FAILURE TO PAY THE ANNUAL  
INJECTION FEE FOR ITS TWO WELLS IN SHERIDAN  
COUNTY, MONTANA, IN ACCORDANCE WITH ARM  
36.22.1423.

ADMINISTRATIVE ORDER 3-A-2024

Coalridge Disposal and Petroleum, Inc. (Coalridge) is the operator of the Astrup 1 SWD well, API # 25-091-21397, located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 11, T33N-R57E and the Spoklie 2-43 well, API # 25-091-21227, located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 2, T34N-R57E. Both wells are located in Sheridan County, Montana. In accordance with ARM 36.22.1423, a \$200 annual injection fee is due for each permitted injection well.

At the April 10, 2024, business meeting, staff reported that Coalridge has not paid the annual injection fee that was due on January 31, 2024. Staff made several attempts to contact the operator. At this meeting, the Board assessed Coalridge a \$100 per well late fee for failure to submit its injection well payment prior to the deadline.

IT IS THEREFORE ORDERED by the Board that Coalridge is assessed a \$200 late fee for failure to pay the injection well fee by January 31, 2024. The total due in injection well fees and penalties is now \$600.

IT IS FURTHER ORDERED by the Board that Coalridge must appear and show cause, if any it has, why additional penalties should not be imposed for failure to pay the annual injection fee for its permitted injection wells and the late fee assessed for nonpayment. Board staff has authority to dismiss the docket if Coalridge achieves compliance prior to the June 13, 2024, public hearing.

Dated this 10<sup>th</sup> day of April, 2024

Montana Board of Oil and Gas Conservation

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Benjamin Jones, Administrator

MONTANA BOARD OF OIL AND GAS CONSERVATION  
FINANCIAL STATEMENT

As of 4/4/24

Fiscal Year 2024: Percent of Year Elapsed - 76%

		Budget	Expends	%	Remaining
Regulatory	Personal Services	1,303,907	783,270	60	520,637
UIC	Personal Services	333,129	219,207	66	113,922
	<b>Total</b>	<b>1,637,036</b>	<b>1,002,477</b>	<b>61</b>	<b>634,559</b>
Regulatory	Equipment & Assets	73,800	-	-	73,800
UIC	Equipment & Assets	16,200	-	-	16,200
	<b>Total</b>	<b>90,000</b>	<b>-</b>	<b>-</b>	<b>90,000</b>
Regulatory	Operating Expenses:				
	Contracted Services	168,267	43,927	26	124,340
	Supplies & Materials	57,042	36,112	63	20,930
	Communication	50,495	27,831	55	22,664
	Travel	20,752	14,372	69	6,380
	Rent	1,354	199	15	1,155
	Utilities	23,778	11,306	48	12,472
	Repair/Maintenance	61,081	18,608	30	42,473
	Other Expenses	36,118	19,868	55	16,250
	<b>Total Operating Expenses</b>	<b>418,887</b>	<b>172,223</b>	<b>41</b>	<b>246,664</b>
UIC	Operating Expenses:				
	Contracted Services	36,343	7,547	21	28,796
	Supplies & Materials	12,521	6,987	56	5,534
	Communication	11,084	4,998	45	6,086
	Travel	4,555	2,634	58	1,921
	Rent	297	29	10	268
	Utilities	5,219	1,913	37	3,306
	Repair/Maintenance	13,408	3,198	24	10,210
	Other Expenses	7,929	8,076	102	(147)
	<b>Total Operating Expenses</b>	<b>91,356</b>	<b>35,382</b>	<b>39</b>	<b>55,974</b>
	<b>Total</b>	<b>510,243</b>	<b>207,605</b>	<b>41</b>	<b>302,638</b>
Regulatory	Debt Services	15,163	12,636	83	2,528
UIC	Debt Services	3,328	2,774	83	554
	<b>Total</b>	<b>18,491</b>	<b>15,409</b>	<b>83</b>	<b>3,082</b>

	Budget	Expends	%	Remaining
<b>Carryforward FY22</b>				
Personal Services	33,000	-	0	33,000
Operating Expenses	48,275	-	0	48,275
Equipment & Assets	20,000	-	0	20,000
<b>Total</b>	<b>101,275</b>	<b>-</b>	<b>0</b>	<b>101,275</b>

Funding Breakout	2024 Total Budget	2024 Total Expends	%
State Special	2,255,770	1,225,491	54
Federal 2024 UIC (10-1-2023 to 9-30-2024)	138,000	-	0
<b>Total</b>	<b>2,393,770</b>	<b>1,225,491</b>	<b>51</b>



**REVENUE INTO STATE SPECIAL REVENUE ACCOUNT**

	FY 24	FY 23
Oil & Gas Production Tax	\$ 1,121,039	\$ 4,487,876
Oil Production Tax	1,055,010	4,044,880
Gas Production Tax	66,029	442,996
Drilling Permit Fees	12,500	13,225
UIC Permit Fees	235,600	238,600
Interest on Investments	245,828	178,888
Copies of Documents	241	519
Miscellaneous Reimbursements	48,483	-
<b>TOTAL</b>	<b>\$ 1,663,691</b>	<b>\$ 4,919,108</b>
<b>Account Balance</b>	<b>\$ 8,038,582</b>	

**REVENUE INTO DAMAGE MITIGATION ACCOUNT**

	FY 24	FY 23
RIT Investment Earnings:	271,170	-
July	-	-
August	39,095	-
September	26,736	-
October	33,325	-
November	33,864	-
December	28,116	-
January	40,140	-
<b>February</b>	<b>34,541</b>	-
<b>March</b>	<b>35,353</b>	-
April	-	-
May	-	-
June	-	-
Bond Forfeitures:	20,019	75,116
Interest on Investments	19,837	16,848
<b>TOTAL</b>	<b>\$ 311,026</b>	<b>\$ 91,964</b>
<b>Account Balance</b>	<b>\$ 803,822</b>	

**REVENUE INTO GENERAL FUND FROM FINES**

		FY 24
HAWLEY OIL LLP	9/1/2023	650
CYPRUS ENVIRONMENTAL PARTNERS LLC	9/22/2023	70
BIG SKY ENERGY LLC	9/27/2023	1,400
RELENTLESS OILFIELD INNOVATION	10/3/2023	140
COMANCHE DRILLING LLC	1/5/2024	110
JUSTICE SWD LLC	1/24/2024	60
YELLOWSTONE PETROLEUMS INC	1/31/2024	420
JUSTICE SWD LLC	2/5/2024	60
<b>BADLANDS RESOURCE RECOVERY INC</b>	<b>2/20/2024</b>	<b>70</b>
HAWLEY OIL LLP	3/8/2024	500
RF PARSELL PARTNERSHIP	3/29/2024	120
COMANCHE DRILLING LLC	3/29/2024	300
DIAMOND HALO GROUP LLC	3/29/2024	120
<b>TOTAL</b>		<b>\$ 4,020</b>

**FEDERAL ORPHAN WELL PLUGGING CONTRACTS**

<u>Name</u>	<u>Authorized Amt</u>	<u>Expended</u>	<u>Balance</u>	<u>Status</u>	<u>Expiration Date</u>
PLENTYWOOD PLUG AND RECLAIM WELLS	\$ 3,547,496	\$ 3,317,379	\$ 230,118	Under Contract	9/30/2025
PLENTYWOOD WEST PLUG AND RECLAIM WELLS	1,602,967	-	1,602,967	Under Contract	9/30/2025
ROUNDUP A PLUG AND RECLAIM WELL	3,579,402	3,348,510	230,892	Under Contract	9/30/2025
ROUNDUP B PLUG AND RECLAIM WELL	157,992	-	157,992	Under Contract	9/30/2025
ROUNDUP C PLUG AND RECLAIM WELLS	289,530	-	289,530	Under Contract	9/30/2025
SHELBY 1 PLUG AND RECLAIM WELLS	676,361	552,060	124,301	Under Contract	9/30/2025
SHELBY 2 PLUG AND RECLAIM WELLS	610,693	38,863	571,831	Under Contract	9/30/2025
SHELBY 3 PLUG AND RECLAIM WELLS	363,788	-	363,788	Under Contract	9/30/2025
SHELBY 4 PLUG AND RECLAIM WELLS	250,800	-	250,800	Under Contract	9/30/2025
SHELBY H2S PLUG AND RECLAIM WELLS	218,430	-	218,430	Under Contract	9/30/2025
STATE 8-8 PLUG AND RECLAIM WELL	44,965	44,965	-	Under Contract	9/30/2025
HANNAH 5 PLUG AND RECLAIM WELL	47,113	-	47,113	Under Contract	9/30/2025
TURNER 13-22 AND TORDALE 42-21 PLUG AND RECLAIM WELLS	133,503	111,253	22,251	Under Contract	9/30/2025
SIDNEY PLUG AND RECLAIM WELLS	1,804,940	1,804,940	-	Completed	9/30/2025
GLENDIVE DISTRICT PLUG AND RECLAIM WELLS	791,250	791,250	-	Completed	9/30/2025
CBM PLUG AND RECLAIM WELLS	281,300	230,700	50,600	Completed	9/30/2025
MURRAY 1 PLUG AND RECLAIM WELL	266,620	222,183	44,437	Completed	9/30/2025
TOI AG STATION RECLAMATION	26,232	26,232	-	Completed	9/30/2023
<b>TOTAL</b>	<b>\$ 14,693,381</b>	<b>\$ 10,488,333</b>	<b>\$ 4,205,047</b>		

**OPERATING CONTRACTS**

<u>Name</u>	<u>Authorized Amt</u>	<u>Expended</u>	<u>Balance</u>	<u>Status</u>	<u>Expiration Date</u>
Agency Legal Services 2024	\$ 70,000	\$ 22,070	\$ 47,930	Under Contract	6/30/2024
Billings Janitorial	10,555	5,250	5,305	Under Contract	9/30/2024
Billings Lawn and Snow Removal	36,000	24,911	11,089	Under Contract	9/30/2024
Shelby O&G Lease	110,946	89,373	21,573	Under Contract	5/31/2025
<b>TOTAL</b>	<b>\$ 227,501</b>	<b>\$ 141,605</b>	<b>\$ 85,896</b>		

<b>Agency Legal Services Expenditure Breakout</b>	
<u>Case</u>	<u>Amt Spent</u>
BOGC Duties	\$ 12,802
Pheonix Capital	9,268
<b>Total</b>	<b>\$ 22,070</b>

## Montana Board of Oil and Gas Conservation Summary of Bond Activity

2/14/2024 Through 4/9/2024

### Approved

Cool Spring Colony, Inc. Rudyard MT	936 L1	Approved	4/3/2024
		Amount:	\$36,000.00
		Purpose:	Limited Bond
Certificate of Deposit	\$36,000.00	FIRST INTERSTATE BANK	ACT
Hell Creek Crude LLC Winnett MT	937 G1	Approved	4/5/2024
		Amount:	\$10,000.00
		Purpose:	Single Well Bond
Certificate of Deposit	\$10,000.00	FIRST INTERSTATE BANK	ACT

### Bond Increase

Somont Oil Company, Inc. Oilmont MT	7120 U1	Bond Increase	2/16/2024
		Amount:	\$36,500.00
		Purpose:	UIC Limited Bond
Certificate of Deposit	\$36,500.00	1ST STATE BANK - SHELBY	ACT

### Canceled

Croft Petroleum Co. Cut Bank MT	1720 M1	Canceled	2/23/2024
		Amount:	\$50,000.00
		Purpose:	Limited Bond
Greeheyco, Inc. San Antonio TX	722 M1	Canceled	3/19/2024
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Knaup, Harry J. & Lucille Shelby MT	84 L1	Canceled	4/4/2024
		Amount:	\$25,000.00
		Purpose:	Limited Bond
Rimrock Oil Company Kalispell MT	6520 G2	Canceled	3/27/2024
		Amount:	\$1,500.00
		Purpose:	Single Well Bond

# Incident Report

EXHIBIT 8

Company	Responsibility	Date	Incident	Oil Released	Water Released	Source	Contained	Latitude	Longitude	County	T-R-S
Petro-Hunt, LLC	BOG	2/18/2024	Spill or Release		160 Barrels	Pump Failure	Yes	48.53522	-104.25790	Sheridan	32N-57E-12 SWSW
Wesco Operating, Inc.	BOG	2/24/2024	Spill or Release		650 Barrels	Flow Line - Injection	Yes			Fallon	10N-58E-9 SENW
Denbury Onshore, LLC	BOG	2/27/2024	Spill or Release		90 Barrels	Well Head	No	46.31385	-104.09757	Fallon	7N-61E-32 SESE
Denbury Onshore, LLC	BOG	3/21/2024	Spill or Release	2 Barrels	74 Barrels	Flow Line - Injection	No	45.08220	-105.10219	Powder River	9S-54E-4 NESE
Cline Production Company	BOG	3/24/2024	Spill or Release	2 Barrels	20 Barrels	Well Head	Yes	46.71536	-107.71656	Rosebud	11N-32E-8 SESE
Denbury Onshore, LLC	BOG	4/1/2024	Spill or Release	10 Gallons	25 Barrels	Flow Line - Production	No	46.16360	-104.05668	Fallon	5N-61E-27 NENE

**Docket Summary**

31-2024	True Oil LLC	Pool, permanent spacing unit, Bakken/Three Forks Formation, 25N-58E-3: all, 10: all (Anvick 11-3 3-10 #B1H, Anvick 31-3 3-10 #B2H, and Anvick 41-3 3-10 #B4H). Non-consent penalties requested.	<b>Continued</b>	<i>PSU, order 154-2014</i> <i>Well density, order 194-2014</i>  <i>Continued to the June hearing, email received 4/2/24.</i>	<input type="checkbox"/>
32-2024	Kraken Oil & Gas LLC	Amend Order 23-2022 (OTSU, Bkn/TF Formation, 27N-57E-4: all and 28N-57E-28: all, 33: all. Amend Board Order 61-2014 to clarify said order is limited to the Jar 1-28H well. Vacate Order 62-2014 (drill up to three additional Bkn/TF wells, PSU, 28N-57E-28: all, 33: all)). Amend that operations must commence by 4/11/2025.			<input type="checkbox"/>
33-2024	Kraken Oil & Gas LLC	Authorize the drilling of three additional horizontal wells, permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-14: all, 23: all, 200' heel/toe setbacks and 500' lateral setbacks.		<i>PSU, order 58-2018</i> <i>Pooled, order 59-2018</i>	<input type="checkbox"/>
34-2024	Kraken Oil & Gas LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-5: all, 8: all, 17: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Amend Board Order 49-2018 to clarify that said order is limited to the Katie Rose 5-8 #1H. Amend Board Order 323-2013 to clarify that said order is limited to the Powers Ranch 20-17 1H. Vacate Order 324-2013 (four additional Bk/TF wells, spacing unit, 28N-59E-17: all, 20: all).		<i>Sections 5 &amp; 8: PSU, order 48-2018; pooled, order 49-2018</i> <i>Sections 17 &amp; 20: PSU, order 322-2013; pooled, order 323-2013</i> <i>Related applications: 34-2024, 35-2024</i>	<input type="checkbox"/>
35-2024	Kraken Oil & Gas LLC	Authorize the drilling of an additional horizontal well, overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-5: all, 8: all, 17: all, 200' heel/toe setbacks and 500' lateral setbacks.		<i>Related applications: 34-2024, 35-2024</i>	<input type="checkbox"/>
36-2024	Kraken Oil & Gas LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-20: all, 29: all, 32: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Amend Board Order 323-2013 to clarify that said order is limited to the Powers Ranch 20-17 1H. Amend Board Order 30-2014 to clarify that said order is limited to the Stateline #12-2932H. Vacate Orders 324-2013 (four additional Bkn/TF wells, spacing unit, 28N-59E-17: all, 20: all) and 31-2014 (additional Bkn/TF well, PSU, 28N-59E-29: all, 32: all).		<i>Sections 29 &amp; 32: PSU, order 29-2014; pooled, order 30-2014</i> <i>Sections 17 &amp; 20: PSU, order 322-2013; pooled, order 323-2013</i> <i>Related applications: 36-2024, 37-2024</i>	<input type="checkbox"/>
37-2024	Kraken Oil & Gas LLC	Authorize the drilling of an additional horizontal well, overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-20: all, 29: all, 32: all, 200' heel/toe setbacks and 500' lateral setbacks.		<i>Related applications: 36-2024, 37-2024</i>	<input type="checkbox"/>
38-2024	Grayson Mill Operating, LLC	Amend Order 256-2013, authorize the drilling of up to three horizontal Bakken/Three Forks Formation wells anywhere within the permanent spacing unit, Bakken/Three Forks Formation, 29N-59E-28: all, 33: all, 200' heel/toe, 500' lateral setbacks.		<i>PSU, order 254-2013; pooled, order 255-2013</i> <i>Order 256-2013: authorized one additional well</i>	<input type="checkbox"/>

39-2024	Grayson Mill Operating, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E -3: all, 10: all, 15: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Amend Board Order 305-2012 to clarify that said order is limited to the Stateline 5-1003H well. Amend Board Order 620-2012 to clarify that said order is limited to the Stateline 3-1522H well. Vacate 306-2012 (additional well, PSU, Bkn/TF, 28N-59E-3: all, 10: all) and 621-2012 (additional well, PSU, Bk/TF, 28N-59E-15: all, 22: all).	Sections 3 & 10: PSU, order 304-2012; pooled, order 305-2012 Sections 15 & 22: PSU, order 619-2012; pooled, order 620-2012 Related applications: 39-2024, 40-2024	<input type="checkbox"/>
40-2024	Grayson Mill Operating, LLC	Authorize the drilling of up to three additional horizontal wells, overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E -3: all, 10: all, 15: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 39-2024, 40-2024	<input type="checkbox"/>
41-2024	Grayson Mill Operating, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E -22: all, 27: all, 34: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Amend Board Order 106-2014 to clarify that said order is limited to the Stateline 14-3427H well. Amend Board Order 620-2012 to clarify that said order is limited to the Stateline 3-1522H well. Vacate 107-2014 (additional Bkn/TF well, spacing unit 28N-59E, 27: all, 34: all) and 621-2012 (additional well, PSU, Bkn/TF, 28N-59E-15: all, 22: all).	Sections 27 & 34: PSU, order 105-2014; pooled, order 106-2014 Sections 15 & 22: PSU, order 619-2012; pooled, order 620-2012 Related applications: 41-2024, 42-2024	<input type="checkbox"/>
42-2024	Grayson Mill Operating, LLC	Authorize the drilling of up to three additional horizontal wells, overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E -22: all, 27: all, 34: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 41-2024, 42-2024	<input type="checkbox"/>
43-2024	Grayson Mill Operating, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-4: all, 9: all, 16: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Amend Board Order 51-2018 to clarify that said order is limited to the Danielle 4-9 #1H well. Amend Board Order 317-2012 to clarify that said order is limited to the Stateline 7-2116H well. Vacate Order 318-2012 (additional Bkn/TF well, 28N-59E-16: all, 21: all).	Sections 4 & 9: PSU, order 50-2018; pooled, order 51-2018 Sections 16 & 21: PSU, order 316-2012; pooled, order 317-2012 Related applications: 43-2024, 44-2024	<input type="checkbox"/>
44-2024	Grayson Mill Operating, LLC	Authorize the drilling of three additional horizontal wells, overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-4: all, 9: all, 16: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 43-2024, 44-2024	<input type="checkbox"/>
45-2024	Grayson Mill Operating, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-21: all, 28: all, 33: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Amend Board Order 27-2014 to clarify that said order is limited to the Stateline 8-3328H well. Amend Board Order 317-2012 to clarify that said order is limited to the Stateline 7-2116H well. Vacate Order 28-2014 (additional Bkn/TF well, PSU, 28N-59E-28: all, 33: all) and 318-2012 (additional Bkn/TF well, 28N-59E-16: all, 21: all).	Sections 28 & 33: PSU, order 26-2014; pooled, order 27-2014 Sections 16 & 21: PSU, order 316-2012; pooled, order 317-2012 Related applications: 45-2024, 46-2024	<input type="checkbox"/>

46-2024	Grayson Mill Operating, LLC	Authorize the drilling of three additional horizontal wells, overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-21: all, 28: all, 33: all, 200' heel/toe setbacks and 500' lateral setbacks.	<i>Related applications: 45-2024, 46-2024</i>	<input type="checkbox"/>
47-2024	Grayson Mill Operating, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-1: all, 2: all, 3: all, 10: all, 11: all, 12: all, 13: all, 14: all, 15: all, well at a location proximate to the common boundary between 28N-59E-2, 11, 14 and 28N-59E-3, 10, 15, 200' heel/toe setbacks. Apply for permanent spacing within 90 days of completion. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.	<i>OTSU: 3, 10, 15: docket 39-2024 w/3 additional wells requested by docket 40-2024 OTSU: 1, 2, 11, 12, 13, 14: order 36-2023 w/5 additional wells authorized by order 37-2023</i>	<input type="checkbox"/>
48-2024	Grayson Mill Operating, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-3: all, 4: all, 9: all, 10: all, 15: all, 16: all, well at a location proximate to the common boundary between 28N-59E-3, 10, 15 and 28N-59E-4, 9, 16, 200' heel/toe setbacks. Apply for permanent spacing within 90 days of completion. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.	<i>OTSU: 3, 10, 15: docket 39-2024 w/3 additional wells requested by docket 40-2024 OTSU: 4, 9, 16: docket 43-2024 w/3 additional wells requested by docket 44-2024</i>	<input type="checkbox"/>
49-2024	Grayson Mill Operating, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-22: all, 23: all, 24: all, 25: all, 26: all, 27: all, 34: all, 35: all, 36: all, well at a location proximate to the common boundary between 28N-59E-23, 26, 35 and 28N-59E-22, 27, 34, 200' heel/toe setbacks. Apply for permanent spacing within 90 days of completion. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.	<i>OTSU: 22, 27, 34: docket 41-2024 w/3 additional wells requested by docket 42-2024 OTSU: 23, 24, 25, 26, 35, 36: order 38-2023 w/5 additional wells authorized by order 39-2023</i>	<input type="checkbox"/>
50-2024	Grayson Mill Operating, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-21: all, 22: all, 27: all, 28: all, 33: all, 34: all, well at a location proximate to the common boundary between 28N-59E-21, 28, 33 and 28N-59E-22, 27, 34, 200' heel/toe setbacks. Apply for permanent spacing within 90 days of completion. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.	<i>OTSU: 22, 27, 34: docket 41-2024 w/3 additional wells requested by docket 42-2024 OTSU: 21, 28, 33: docket 45-2024 w/3 additional wells requested by docket 46-2024</i>	<input type="checkbox"/>
51-2024	Grayson Mill Operating, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-59E-20: all, 21: all, 28: all, 29: all, 32: all, 33: all, well at a location proximate to the common boundary between 28N-59E-20, 29, 32 and 28N-59E-21, 28, 33. Apply for permanent spacing within 90 days of completion. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.	<i>OTSU: 20, 29, 32: docket 36-2024 w/3 additional wells requested by docket 37-2024 OTSU: 21, 28, 33: docket 45-2024 w/3 additional wells requested by docket 46-2024</i>	<input type="checkbox"/>
52-2024	Phoenix Operating LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 30N-59E-21: all, 28: all, 33: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Default docket requested.	<i>Subject to special statewide spacing Should include operations must commence within 1 year after date of order</i>	<input type="checkbox"/>
53-2024	Phoenix Operating LLC	Authorize the drilling of two additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 30N-59E-21: all, 28: all, 33: all, 200' heel/toe setbacks and 500' lateral setbacks. Default docket requested.		<input type="checkbox"/>

54-2024	Texakoma Exploration & Production LLC	Vacate order 58-2002 (Exception to statewide to drill, Madison; 31N-43E-27: 160 FSL/ 1450 FWL). Temporary spacing unit, vertical Madison Group test well, 31N-43E-27: N2SE. Well to be located approximately 360' FNL and 425' FEL from boundaries of TSU (2280' FSL, 425' FEL in Section 27.		Need to vacate 58-2002?	<input type="checkbox"/>
55-2024	Texakoma Exploration & Production LLC	Vacate order 58-2002 (Exception to statewide to drill, Madison; 31N-43E-27: 160 FSL/ 1450 FWL). Temporary spacing unit, vertical Madison Group test well, 31N-43E-27: S2SE. Well to be located approximately 410' FSL and 1,085' FEL in Section 27.		Need to vacate 58-2002?	<input type="checkbox"/>
56-2024	Texakoma Exploration & Production LLC	Exception to lustre field rules, vertical Madison Group test well, 31N-44E-17: N2SE. Well to be located approximately 460' FNL and 285' FEL of SU boundary (2180' FSL and 285' FEL of section) in Section 17. Apply for permanent spacing within 90 days of successful completion.			<input type="checkbox"/>
57-2024	Texakoma Exploration & Production LLC	Exception to lustre field rules, vertical Madison Group test well, 31N-43E-36: N2SW. Well to be located approximately 130' FSL and 1,090' FEL of spacing unit boundary (1450 FSL, 1550 FWL of Section 36). Apply for permanent spacing within 90 days of successful completion.		Would E2 SW be more appropriate?	<input type="checkbox"/>
58-2024	Three Forks Resources, LLC	Change of Operator for 10 wells from Big Sky Energy, LLC to Three Forks Resources, LLC.	<b>Withdrawn</b>	Withdrawn, email received 3/25/24.	<input type="checkbox"/>
13-2024	Rim Operating, Inc.	Permanent spacing unit, Red River Formation, (Brethren 43-29).	<b>Continued</b>	Continued to the April hearing, email received 2/6/24. Continued to the June hearing, email received 4/2/24.  Related dockets: 13-2024, 14-2024	<input type="checkbox"/>
14-2024	Rim Operating, Inc.	Pool, permanent spacing unit, Red River Formation, 32N-58E-28: SW, 29: SE (Brethren 43-29). Non-consent penalties requested.	<b>Continued</b>	Continued to the April hearing, email received 2/6/24. Continued to the June hearing, email received 4/2/24.  Related dockets: 13-2024, 14-2024	<input type="checkbox"/>
16-2024	White Rock Oil & Gas, LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 22N-59E-5: all, 8: all, 17: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Amend Board Order 331-2006 to clarify that said order is limited to the Simonsen 44X-5 well. Amend Board Order 238-2007 to clarify that said order is limited to the Darlene 41X-20 and Marker 34X-20 wells. Vacate Orders 60-2008 and 60-2023 (additional Bkn well, PSU, 22N-59E-5: all and 8: all).	<b>Continued</b>	Order 331-2006: Pool sections 5 & 8 Order 238-2007: Pool section 17 & 20 Order 60-2008: additional well sections 5 & 8 Order 60-2023: amend setback sections 5 & 8  Continued to April hearing, email received 2/13/24. Continued to the June hearing, email received 3/6/24.	<input type="checkbox"/>



23-2024 9-2024 F	Continental Resources Inc	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-57E-13: all, 24: all, 25: all, and 28N-58E-18: all, 19: all, 30: all, well at a location not further than 500' from the common boundary between T28N-R57E-13: all, 24: all, and 25: all, and T28N-R58E-18: all, 19: all, and 30: all, 200' heel/toe setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.	Continued	Includes Allotted Indian minerals  Continued at the hearing to April 2024. Continued to the June hearing, email received 3/6/24.	<input type="checkbox"/>
26-2024	White Rock Oil & Gas, LLC	Convert the Brutus 1-8 well, T24N-R57E-8: SE SE (API # 083-23009) to Class II Injection well, Dakota & Lakota Formations.			<input type="checkbox"/>
59-2024	Big Sky Energy, LLC	Show Cause: failure to file production and injection reports and pay administrative fees.	Dismissed	The delinquent reports/fee was received. Docket administratively dismissed in accordance with policy.	<input type="checkbox"/>
60-2024	Comanche Drilling Company	Show Cause: failure to file production reports and pay administrative fees.	Dismissed	The delinquent reports/fee was received. Docket administratively dismissed in accordance with policy.	<input type="checkbox"/>
61-2024	Cypress Energy Partners - Sheridan SWD, LLC	Show Cause: failure to file injection reports and pay administrative fees.	Dismissed	The delinquent reports/fee was received. Docket administratively dismissed in accordance with policy.	<input type="checkbox"/>
62-2024	Diamond Halo Group LLC	Show Cause: failure to pay administrative fees assessed for delinquent reporting.	Dismissed	The delinquent reports/fee was received. Docket administratively dismissed in accordance with policy.	<input type="checkbox"/>
63-2024	Parsell, RF Partnership	Show Cause: failure to file production reports and pay administrative fees.	Dismissed	The delinquent reports/fee was received. Docket administratively dismissed in accordance with policy.	<input type="checkbox"/>
64-2024	Bootstrap Oil LLC	Show Cause: why additional penalties should not be assessed for failure to file production and injection reports, failure to pay the penalty assessed for delinquent reporting, and for failure to pay the \$1,000 fine assessed for not appearing at the February 15, 2024, public hearing.			<input type="checkbox"/>
65-2024	Hawley Oil Company	Show Cause: why additional penalties should not be assessed for failure to file production and injection reports, failure to pay the penalty assessed for delinquent reporting, and for failure to pay the \$1,000 fine assessed for not appearing at the February 15, 2024, public hearing.			<input type="checkbox"/>

135-2023 Yellowstone Petroleum, Inc.

Show Cause: why it should not be required to plug and abandon its wells in Carbon, Glacier, Pondera, and Toole Counties, Montana.

*Per Board Order 110-2023: Yellowstone Petroleum, Inc must provide staff a detailed well plan with a timeline and benchmarks for reactivating, transferring, or plugging its inactive wells and file any necessary amended production reports prior to March 7, 2024, hearing deadline, or is subject to a \$200 fine for each day after the deadline that the well plan and timeline and amended reports have not been received. The fine will remain in effect until the April 11, 2024, public hearing or until the detailed well plan and any necessary amended reports are submitted.*



# ALL APPLICATIONS, 4/11/2024

(In Order of Publication)

Docket	Applicant / Respondent	Status	Request
31-2024	True Oil LLC	Continued	Pooling
32-2024	Kraken Oil & Gas LLC		Temp. Spacing
33-2024	Kraken Oil & Gas LLC		Well Density
34-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
35-2024	Kraken Oil & Gas LLC		Well Density
36-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
37-2024	Kraken Oil & Gas LLC		Well Density
38-2024	Grayson Mill Operating, LLC		Well Density
39-2024	Grayson Mill Operating, LLC		Temp. Spacing; Vacate Order
40-2024	Grayson Mill Operating, LLC		Well Density
41-2024	Grayson Mill Operating, LLC		Temp. Spacing; Vacate Order
42-2024	Grayson Mill Operating, LLC		Well Density
43-2024	Grayson Mill Operating, LLC		Temp. Spacing; Vacate Order
44-2024	Grayson Mill Operating, LLC		Well Density
45-2024	Grayson Mill Operating, LLC		Temp. Spacing; Vacate Order
46-2024	Grayson Mill Operating, LLC		Well Density
47-2024	Grayson Mill Operating, LLC		Temp. Spacing
48-2024	Grayson Mill Operating, LLC		Temp. Spacing
49-2024	Grayson Mill Operating, LLC		Temp. Spacing
50-2024	Grayson Mill Operating, LLC		Temp. Spacing
51-2024	Grayson Mill Operating, LLC		Temp. Spacing
52-2024	Phoenix Operating LLC		Temp. Spacing
53-2024	Phoenix Operating LLC		Well Density
54-2024	Texakoma Exploration & Production LLC		Temp. Spacing; Vacate Order
55-2024	Texakoma Exploration & Production LLC		Temp. Spacing; Vacate Order
56-2024	Texakoma Exploration & Production LLC		Except - Drlg; Temp. Spacing
57-2024	Texakoma Exploration & Production LLC		Except - Drlg; Temp. Spacing
58-2024	Three Forks Resources, LLC	Withdrawn	Change of Operator
13-2024	Rim Operating, Inc.	Continued	Spacing
14-2024	Rim Operating, Inc.	Continued	Pooling
16-2024	White Rock Oil & Gas, LLC	Continued	Temp. Spacing; Vacate Order
23-2024	Continental Resources Inc	Continued	Temp. Spacing
26-2024	White Rock Oil & Gas, LLC		Class II Permit
59-2024	Big Sky Energy, LLC	Dismissed	Show-Cause
60-2024	Comanche Drilling Company	Dismissed	Show-Cause
61-2024	Cypress Energy Partners - Sheridan SWD, LLC	Dismissed	Show-Cause
62-2024	Diamond Halo Group LLC	Dismissed	Show-Cause
63-2024	Parsell, RF Partnership	Dismissed	Show-Cause
64-2024	Bootstrap Oil LLC		Show-Cause
65-2024	Hawley Oil Company		Show-Cause
135-2023	Yellowstone Petroleums, Inc.		Show-Cause

# APPLICATIONS TO HEAR, 4/11/2024

(In Order of Hearing)

Docket	Applicant	Status	Request
32-2024	Kraken Oil & Gas LLC		Temp. Spacing
33-2024	Kraken Oil & Gas LLC		Well Density
34-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
35-2024	Kraken Oil & Gas LLC		Well Density
36-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
37-2024	Kraken Oil & Gas LLC		Well Density
38-2024	Grayson Mill Operating, LLC		Well Density
39-2024	Grayson Mill Operating, LLC		Temp. Spacing; Vacate Order
40-2024	Grayson Mill Operating, LLC		Well Density
41-2024	Grayson Mill Operating, LLC		Temp. Spacing; Vacate Order
42-2024	Grayson Mill Operating, LLC		Well Density
43-2024	Grayson Mill Operating, LLC		Temp. Spacing; Vacate Order
44-2024	Grayson Mill Operating, LLC		Well Density
45-2024	Grayson Mill Operating, LLC		Temp. Spacing; Vacate Order
46-2024	Grayson Mill Operating, LLC		Well Density
47-2024	Grayson Mill Operating, LLC		Temp. Spacing
48-2024	Grayson Mill Operating, LLC		Temp. Spacing
49-2024	Grayson Mill Operating, LLC		Temp. Spacing
50-2024	Grayson Mill Operating, LLC		Temp. Spacing
51-2024	Grayson Mill Operating, LLC		Temp. Spacing
52-2024	Phoenix Operating LLC		Temp. Spacing
53-2024	Phoenix Operating LLC		Well Density
54-2024	Texakoma Exploration & Production LLC		Temp. Spacing; Vacate Order
55-2024	Texakoma Exploration & Production LLC		Temp. Spacing; Vacate Order

56-2024	Texakoma Exploration & Production LLC		Except - Drlg; Temp. Spacing
57-2024	Texakoma Exploration & Production LLC		Except - Drlg; Temp. Spacing
64-2024	Bootstrap Oil LLC		Show-Cause
65-2024	Hawley Oil Company		Show-Cause
135-2023	Yellowstone Petroleum, Inc.		Show-Cause

## DEFAULT DOCKET, 4/11/2024

Docket	Applicant	Status	Request
26-2024	White Rock Oil & Gas, LLC		Class II Permit



RECEIVED

MAR 01 2024

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

*Sent via email @ 10:15am 2/27/24*  
February 28, 2024

Ben Davis  
Technical Program Coordinator  
Benjamin.Davis@mt.gov  
406-656-0040

Re: Inactive Well Review-Well Plugging Requirement

Dear Mr. Davis,

The Board of Oil and Gas Conservation (BOGC) records correctly indicates that one well, 5825 G1 101-21165 Joe Fey 3R-34 37N-2E-34 NW SW 1650 FSL, 990 FWL SI OIL

has not produced in over two years. The non production of the well was based on "Biden-omics" that makes US oil and gas production during the last administration an inefficient use of time and resources, and an unexpected health crisis that resulted in Gabriel B. Pearson being placed in Rosebud Health Care Center Nursing Home in Forsyth, MT in August of 2022. Gabriel's health condition was concerning, but he has improved. Gabriel is able to assist in decision making, and is hoping to make the trip with me to check on the well this summer.

I have become Gabriel B. Pearson's Power of Attorney (see attached file) <sup>- Sent in an email</sup> and will look into the possibility of returning to gas and oil production of the above well when the US economy favors such a change. I am also married to a cattle rancher and our family works six months of the year from the back of a horse working cattle. The time required to check on a productive oil well would require oversight that is consistent, and I plan to investigate that opportunity this next summer when our bull turnout in June 2024 has been completed. There is no plan to plug and abandon the above well at this time. I request that you reverse the obligation of Gabriel to plug and abandon the above well until at least 2026. By that time I will have the opportunity to further investigate the possibility of returning the well to consistent production, as well as respond to a different economic situation that will favor gas and oil production in the United States of America.

I discuss all business matters of Gabriel's with him. He has seen the certified letter that you sent and advised me to respond as I have. If you have further questions, please feel free to contact me.

You have record of the production of the above well. If there is anything else you need from me, please let me know.

Sincerely,

*DeeAnne Egan, Ph.D.*

DeeAnne Egan, Ph.D.  
P.O.A., for Gabriel B. Pearson  
406-477-6633  
jeball@msn.com



## Davis, Ben

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**From:** Joe Egan <jeball@msn.com>  
**Sent:** Tuesday, March 12, 2024 9:21 AM  
**To:** Davis, Ben  
**Subject:** [EXTERNAL] Gabriel B. Pearson

March 7, 2024

Ben Davis  
Technical Program Coordinator  
Benjamin.Davis@mt.gov  
406-656-0040

Re: Inactive Well Review-Well Plugging Requirement

Dear Mr. Davis,

The Board of Oil and Gas Conservation (BOGC) records correctly indicates that one well, 5825 G1 101-21165 Joe Fey 3R-34 37N-2E-34 NW SW 1650 FSL, 990 FWL SI OIL

has not produced in over two years. You requested more information to grant or deny the request of more time until 2026.

Mr. Davis: Our records since December of 1991 to December 2023 show a total production of 77 bbls of oil.

Gabriel: There are 212 bbls of oil stored on site that have not been sold for a couple of reasons: price needs to increase, and two major health crisis since 2004....stage 4 pancreatic cancer followed by cardiovascular event (2010) resulting in a device implant (defibrillator).

Mr. Davis: There are questions that arise from the attachment you sent.

1. What is the prospect of turning the well into an economic well?

Gabriel: Plan to return to oil production and helium gas production, if discovered, when it is economically feasible.

2. Does the operator have a valid lease? Gabriel: Yes. Is current.

3. Last production was in July of 2017, prior to "Bidenomics", why was the well not producing after July of 2017? Gabriel: Cost of pumping the oil was too much, given the price per barrel it would have been sold at.

As stated in the letter sent to Pearson, Gabriel "No later than March 7, 2024, please submit to this office plans and timeline for plug and abandoning the of the wells on the attached list. If the well has the potential for future use, please provide a request for the inapplicability of the plugging requirement and well specific documentation to support the request."

Kind Regards, Ben Davis  
Technical Program Coordinator  
DNRC-Montana Board of Oil and Gas Conservation

"A request for the inapplicability of the plugging requirement and well specific documentation to support the request"...I need to discuss this further with Gabriel and get back to you. I will have a chance to visit Gabriel today. We've been moving cows the last couple of days and have not had a chance to finish this letter. I wrote the above March 7.

Thanks,  
DeeAnne

## Davis, Ben

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**From:** Joe Egan <jeball@msn.com>  
**Sent:** Thursday, March 14, 2024 6:23 AM  
**To:** Davis, Ben  
**Subject:** [EXTERNAL] Gabriel B. Pearson, request for extension

March 14, 2024

Ben Davis  
Technical Program Coordinator  
Benjamin.Davis@mt.gov  
406-656-0040

Re: Request for Extension...Inactive Well Review-Well Plugging Requirement

Dear Mr. Davis,

The Board of Oil and Gas Conservation (BOGC) records correctly indicates that one well, 5825 G1 101-21165 Joe Fey 3R-34 37N-2E-34 NW SW 1650 FSL, 990 FWL SI OIL

has not produced in over two years. You requested more information to grant or deny the request of more time until 2026.

Your records since December of 1991 to December 2023 show a total production of 77 bbls of oil, but Gabriel actually has 212 barrels of oil stored on site that have not been sold for a couple of reasons: sale price needs to increase, it is high gravity oil, and Gabriel has experienced health challenges, including two major health crisis since 2004....stage 4 pancreatic cancer followed by cardiovascular event (2010) resulting in a device implant (defibrillator). Gabriel has been single all of his life and very independent. I found Gabriel in critical condition late July 2022 with congestive heart failure. I relocated him to Rosebud Health Care Center Nursing Home in Forsyth, MT in August of 2022 which is 50 miles from our family cattle ranch. Rosebud Health Care Center has the wherewithal to attend to his medical needs (he walks through the doors from the nursing home into the hospital, which he has needed to do in response to a minor heart attack April 2023.) That he is thriving and his desire to live has returned is nothing short of miraculous. However, catching up on Gabriel's various business enterprises has taken more time than I imagined. I was playing "catch up" since becoming his power of attorney, and realized I needed more help. Recently, I recruited my brother (and Gabriel's nephew), a retired Oregon State Police Officer to become Power of Attorney, as well, who will assist greatly in Gabriel's business affairs.

Questions that arise from the attachment sent include:

1. What is the prospect of turning the well into an economic well?

Gabriel is hopeful to return to oil production and helium gas production (if discovered) following the leg work of his niece (DeeAnne) and nephew (Swede) this coming June 2024 to determine the economic benefit of keeping the well operational. Gabriel says this well will likely produce for 14 min/day, and so it is not a high producing well at this time. The oil is high gravity in its consistency. The value of the well as an oil well is to be determined. If helium is present, then keeping the well operational would be beneficial. Presence of helium is to be determined. Currently the well is fenced in and has a padlock on the gate so that cattle may not get near it.

2. Does the operator have a valid lease? Gabriel's lease is current.

3. Last production was in July of 2017, prior to "Bidenomics", why was the well not producing after July of 2017? Gabriel: Cost of pumping the oil was too much, given the price per barrel it would have been sold at. Gabriel's health was too compromised to actively do the work to keep the well operational.

As stated in the letter sent to Pearson, Gabriel "No later than March 7, 2024, please submit to this office plans and timeline for plug and abandoning the of the wells on the attached list. If the well has the potential for future use, please provide a request for the inapplicability of the plugging requirement and specific documentation to support the request."

Gabriel requests an extension on the plugging requirement as he has assistance to determine the feasibility of pumping oil from the above well, and identifying if the well has future potential. My brother, Anton (Swede) A. Pearson III and myself, both Powers of Attorney, will be assisting Gabriel in early summer 2024 to assess the condition of the well, and the future potential of the well. Gabriel has instructed us to assess oil production and to investigate the possible presence of helium.

I appreciate your prompt response in my preceding correspondence. Please let me know what you need from us in order to keep the well open and pumping oil as we begin our research. Also, let us know what you need from us regarding helium discovery and production.

Sincerely,

DeeAnne Egan, Ph.D.  
P.O.A., for Gabriel B. Pearson  
406-477-6633

**MONTANA DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION**

**BOARD OF OIL AND GAS CONSERVATION**

2535 St. Johns Avenue, Billings, MT 59102 (406) 656-0040

**ACTIVITIES:**

2/16/2024 To 4/10/2024

**New Locations - Horizontal Wells:**

Richland Wildcat 083-23474  
 EMEP Operating, LLC Ed & Paul 17-20 XE 1H  
 SHL: SW SW 21-25N-53E (312 FSL/351 FWL) EL 2443' GR 32912  
 PBHL: 19452' SE SE 17-25N-53E (200 FNL/245 FEL) Bakken  
 Approved: 02/26/2024

Richland Wildcat 083-23475  
 EMEP Operating, LLC Flik 12-13 XE 1H  
 SHL: NW NW 19-25N-54E (371 FNL/815 FWL) EL 2336' GR 32915  
 PBHL: 20762' NE NE 12-25N-53E (205 FNL/245 FEL) Bakken  
 Approved: 03/14/2024

**Re-Entry of Plugged Wells:**

Petroleum Cat Creek, West Dome 069-21106  
 Columbia Petroleum, Ltd. Gel 5  
 SHL: SW NE NE 12-15N-28E (1020 FNL/1035 FEL) EL 2869' G 32917  
 Proposed Depth: 2125' (Morrison)  
 Approved: 03/21/2024

**Re-Issued Locations:**

Musselshell Wildcat 065-21897  
 HC Resources, LLC Burlington Northern 17-3  
 SHL: SE SE 17-11N-28E (660 FSL/1980 FWL) EL 3207' GR 32866  
 Proposed Depth: 3250' (Piper Formation)  
 Approved: 03/29/2024

Richland Wildcat 083-23429  
 Kraken Operating, LLC Claire 34-22 #4H  
 SHL: NE SW 34-26N-59E (1424 FSL/2582 FWL) EL 2160' GR 32916  
 PBHL: 25080' 22-26N-59E (205 FNL/550 FEL) Bakken  
 Approved: 03/15/2024

# MONTANA ENERGY COMPANY, LLC WELL LEAK

**Well CTSU D116** (Tyler oil well shut-in since 2015)  
T11N-R32E-16, C NE NE  
Sumatra Field (Central Sumatra Tyler Sand Unit)  
Rosebud County

## Summary

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- **1/9/24 Inspection:** Operator reported failure of wellhead; 1 bbl of thick oil seeped from tubing head collar onto location. Berm was constructed around wellhead to contain leak.
- **1/25/24 Inspection:** Spill enlarged to 2 bbls of oil. Oil breached original berm so an additional berm was constructed to contain the spill.
- **1/29/24 Inspection:** Spill of fluids from original failure have been removed along w/ contaminated soils. Mechanical failure remains unrepaired w/ approximately 5 gallons of newly leaked oil. Containment around wellhead has been put in place until repairs can be made.
- During the month of February the leak was a small thick oil seep. The seep was only a couple gallons a week and was cleaned up regularly by the field operator.
- **3/15/24 Inspection:** A substantial leak was discovered at the well flowing an estimated 1 gallon per minute of water and hydrocarbons. Fluids were being contained in a berm around the wellhead.

Telephone call between Carlos De La Torre w/ MEC, Ben Davis, and John Gizicki: Carlos was told a rig is needed ASAP to fix the problem.

Injection wells were shut-in to see if that would help relieve pressure and slow flow- had no effect.

- **3/18/24 Inspection:** It was discovered that the leak had become worse over the weekend and was flowing 2+ gallons per minute of mostly water. Emergency pits were dug to contain the fluids. A vac truck is being used to remove fluids from emergency pits to haul to an evaporation pit located at the production facility.

Telephone call between Carlos, Scot Bloomfield, and John Gizicki: Carlos was told they need to get a rig on the well.

An email was sent to Carlos stressing the importance of scheduling a rig ASAP and to keep up with hauling fluids so that the emergency containment pits would not overflow.

- **3/19/24:** A certified letter was sent to MEC's address on file and was also emailed to MEC giving an April 10, 2024, deadline to control the leak and remediate the surface.  
After a flowline was repaired, the well was then opened to flow through the tubing which slowed down the flow of the leak to about 1 gallon per minute.
- **4/3/24:** Jorge De La Torre responded to the 3/19/24 letter stating a rig is scheduled to arrive on location between April 8 – April 12 along with Baker Hughes and Haliburton.

- **4/4/24:** Email was sent to Carlos requesting he submit an updated Sundry Notice with a procedure detailing the plans to repair the well.

## **Additional Remarks**

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As of 4/5/24 approximately 1,300 bbls of produced water have been removed from the containment pits and hauled to the evaporation pit at the production facility. There are still several bbls of oil in the containment pits that have not been able to be recovered with pumps.

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



GREG GIANFORTE, GOVERNOR

OIL AND GAS CONSERVATION DIVISION

STATE OF MONTANA

March 19, 2024

Montana Energy Company, LLC  
Attn: Carlos de la Torre  
211 North Col Rowe Blvd  
McAllen, TX 78501

Re: Spill documented March 15, 2024, at CTSU D116 API 25-087-053020000 Sumatra Field.

Dear Mr. de la Torre,

The Montana Board of Oil and Gas Conservation ("BOGC") received notice from field inspector Scot Bloomfield of a casing leak on March 15, 2024. John Gizicki and I called you on March 15, 2024, notifying Montana Energy Company of the observed leak.

Inspection on location March 18, 2024, found fluid flowing into emergency pits around wellhead at a rate of approximately 2 gallons per minute coming from casing.

Montana Energy Company must properly stop the leak and remediate the location as soon as possible in accordance with ARM 36.22.1104 CONTROL AND CLEANUP.

- (1) The owner or operator must promptly control and clean up any leak, spill, escape, or discharge, regardless of the amount of oil, produced water, water containing more than 15,000 ppm TDS, or gas involved.

If the leak is not under control and remediation of the surface completed by the April 10, 2024, business meeting, the matter will be discussed with the Board, which could result in an assessment of fines and further regulatory actions by the Board.

Regards,

A handwritten signature in blue ink that reads "Benjamin S. Davis".

Ben Davis  
Technical Program Coordinator  
Montana Board of Oil and Gas Conservation  
Benjamin.Davis@mt.gov

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







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

IN THE MATTER OF MONTANA ENERGY COMPANY,  
LLC FAILURE TO PROPERLY MAINTAIN ITS CSTSU  
D116 WELLSITE IN ROSEBUD COUNTY, MONTANA, IN  
ACCORDANCE WITH ARM 36.22.1104.

ADMINISTRATIVE ORDER 4-A-2024

On January 9, 2024, Montana Energy Company, LLC (MEC) notified the field inspector that its wellhead on the CSTSU D116, API # 25-087-05302, located in the NE¼NE¼ of Section 16, T11N-R32E, Rosebud County, Montana had a spill from a leak around the wellhead. MEC reported that one barrel of thick oil had seeped from the tubing head collar on the location and that a berm was constructed around the wellhead to contain the leak.

On January 25, 2024, the spill enlarged to two barrels of oil, and it breached the original berm. An additional berm was constructed by MEC to contain the spill.

ARM 36.22.1104 requires the owner or operator to promptly control and clean up any leak, spill, escape, or discharge, regardless of the amount of oil, produced water, water containing more than 15,000 ppm TDS, or gas involved.

On January 29, 2024, MEC removed the fluids from the spill and the contaminated soil, but the wellhead remained unrepaired.

During the month of February, the leak continued, and the fluids were regularly cleaned up by MEC.

On March 15, 2024, a field inspector found the leak had increased substantially and was now flowing an estimated one gallon per minute into the area around the wellhead that had been bermed. Staff contacted Carlos De La Torre, engineer, via telephone to request they immediately repair the problem. MEC shut-in its injection wells to see if that would relieve the pressure and slow the flow, but the wellhead continued to leak.

On March 18, 2024, a field inspector discovered the leak had become worse and was flowing over two gallons per minute. Emergency pits were dug by MEC to contain the fluids. Staff contacted MEC via telephone and email requesting MEC schedule a rig immediately to repair the leak and continue to maintain adequate freeboard in the emergency pit to prevent overflow.

On March 19, 2024, a certified letter and an email was sent to MEC and a deadline of April 10, 2024, was given to resolve the compliance issues or MEC would be discussed at the Board Business meeting. MEC responded that a rig and service companies were scheduled to arrive on location between April 8<sup>th</sup>-12<sup>th</sup>.

As of April 10, 2024, the leak has not been repaired and the wellhead continues to leak. Approximately 1,300 barrels of produced water have been removed from the containment pits and hauled to the evaporation pit at the production facility. There are several barrels of oil in the containment pits that have not been able to be recovered with the pumps.

IT IS THEREFORE ORDERED by the Board that MEC must repair the CSTSU D116 well by the May 9, 2024, hearing application deadline or is subject to a \$100 fine for each day after the deadline that the violation remains unresolved. The fine will remain in effect until compliance is confirmed by inspection.

IT IS FURTHER ORDERED that failure to come into compliance by the May 9, 2024, hearing application deadline will result in MEC being ordered to show cause at the June 13, 2024, public hearing, as to why penalties should not be imposed for failure to remedy the field violation.

Dated this 10<sup>th</sup> day of April, 2024

Montana Board of Oil and Gas Conservation

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Benjamin Jones, Administrator