

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 23-2022 TO PROVIDE THAT OPERATIONS FOR THE DRILLING OF A WELL IN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTION 4, T27N-R57E AND SECTIONS 28 AND 33, T28N-R57E, ROOSEVELT COUNTY, MONTANA MUST BE COMMENCED PRIOR TO APRIL 11, 2025. ALL OTHER PROVISIONS IN SAID ORDER REMAINS UNCHANGED AND IN FULL FORCE AND EFFECT.

ORDER 22-2024

Docket No. 32-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. John Lee, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken 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 concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Board Order 23-2022 is hereby amended to provide that drilling operations must commence not later than April 11, 2025.

BOARD ORDER NO. 22-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 14 AND 23, T27N-R57E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 23-2024

Docket No. 33-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. John Lee, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated a permanent spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 58-2018.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 14 and 23, T27N-R57E, Roosevelt County, Montana.
5. No protest to the application of Kraken was made.
6. 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 14 and 23, T27N-R57E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

BOARD ORDER NO. 23-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 KRAKEN OIL & GAS LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5, 8, AND 17, T28N-R59E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 24-2024

APPLICANT REQUESTS THAT BOARD ORDER 49-2018 PERTAINING TO SECTIONS 5 AND 8, T28N-R59E BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE KATIE ROSE 5-8 #1H WELL.

APPLICANT FURTHER REQUESTS THAT BOARD ORDER 323-2013 PERTAINING TO SECTIONS 17 AND 20, T28N-R59E BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE POWERS RANCH 20-17 #1H WELL AND THAT ORDER 324-2013 THAT AUTHORIZED ADDITIONAL WELLS IN THAT SPACING UNIT BE VACATED.

Docket No. 34-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. John Lee, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).

BOARD ORDER NO. 24-2024

3. Sections 5 and 8, T28N-R59E, was designated a permanent spacing unit by Order 48-2018, and Bakken/Three Forks interests within the spacing unit were pooled by Order 49-2018. Sections 17 and 20, T28N-R59E, was designated a permanent spacing unit by Order 322-2013, and Bakken/Three Forks interests within the spacing unit were pooled by Order 323-2013.

4. Kraken is the majority working interest owner in the proposed overlapping temporary spacing unit and the operator of the Katie Rose 5-8 #1H and Powers Ranch 20-17 #1H wells.

5. No protest to the application of Kraken was made.

6. 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 5, 8, and 17, T28N-R59E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that the pooling order established by Board Order 49-2018 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Katie Rose 5-8 #1H well and the pooling order established by Board Order 323-2013 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Powers Ranch 20-17 #1H well.

IT IS FURTHER ORDERED that Board Order 324-2013 is hereby vacated.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 24-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF AN ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5, 8, AND 17, T28N-R59E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 25-2024

Docket No. 35-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. John Lee, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 24-2024.
4. Evidence presented at the time of the hearing supports the drilling of an additional horizontal Bakken/Three Forks interval well in Sections 5, 8, and 17, T28N-R59E, Roosevelt County, Montana.
5. No protest to the application of Kraken was made.
6. 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, MCA have been met.

BOARD ORDER NO. 25-2024

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill an additional horizontal Bakken/Three Forks Formation well in the overlapping temporary spacing unit comprised of all of Sections 5, 8, and 17, T28N-R59E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 KRAKEN OIL & GAS LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 20, 29, AND 32, T28N-R59E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 26-2024

APPLICANT REQUESTS THAT BOARD ORDER 323-2013 PERTAINING TO SECTIONS 17 AND 20, T28N-R59E BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE POWERS RANCH 20-17 #1H WELL AND THAT ORDER 324-2013 THAT AUTHORIZED ADDITIONAL WELLS IN THAT SPACING UNIT BE VACATED.

APPLICANT FURTHER REQUESTS THAT BOARD ORDER 30-2014 PERTAINING TO SECTIONS 29 AND 32, T28N-R59E 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 #12-2932H WELL AND THAT ORDER 31-2014 THAT AUTHORIZED AN ADDITIONAL WELL IN THAT SPACING UNIT BE VACATED.

Docket No. 36-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. John Lee, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).

BOARD ORDER NO. 26-2024

3. Sections 17 and 20, T28N-R59E, was designated a permanent spacing unit by Order 322-2013, and Bakken/Three Forks interests within the spacing unit were pooled by Order 323-2013. Sections 29 and 32, T28N-R59E, was designated a permanent spacing unit by Order 29-2014, and Bakken/Three Forks interests within the spacing unit were pooled by Order 30-2014.

4. Kraken is the majority working interest owner in the proposed overlapping temporary spacing unit and the operator of the Powers Ranch 20-17 #1H well. Grayson Mill Operating, LLC is the operator of Stateline #12-2932H well.

5. No protest to the application of Kraken was made.

6. 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 20, 29, and 32, T28N-R59E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that the pooling order established by Board Order 323-2013 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Powers Ranch 20-17 #1H well and the pooling order established by Board Order 30-2014 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Stateline #12-2932H well.

IT IS FURTHER ORDERED that Board Orders 324-2013 and 31-2014 are hereby vacated.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 26-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF AN ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 20, 29, AND 32, T28N-R59E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 27-2024

Docket No. 37-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. John Lee, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 26-2024.
4. Evidence presented at the time of the hearing supports the drilling of an additional horizontal Bakken/Three Forks interval well in Sections 20, 29, and 32, T28N-R59E, Roosevelt County, Montana.
5. No protest to the application of Kraken was made.
6. 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, MCA have been met.

BOARD ORDER NO. 27-2024

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill an additional horizontal Bakken/Three Forks Formation well in the overlapping temporary spacing unit comprised of all of Sections 20, 29, and 32, T28N-R59E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC TO AMEND BOARD ORDER 256-2013 TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 28 AND 33, T29N-R59E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 28-2024

Docket No. 38-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).
3. The lands described in the caption was designated a permanent spacing unit for production from the Bakken/Three Forks interval by Order 254-2013 with one additional well authorized by Order 256-2013.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 28 and 33, T29N-R59E, Roosevelt County, Montana.
5. No protest to the application of Grayson Mill was made.
6. 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, MCA have been met.

BOARD ORDER NO. 28-2024

Order

IT IS THEREFORE ORDERED by the Board that Board Order 256-2013 is amended to authorize the drilling of up to three additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 28 and 33, T29N-R59E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3, 10, AND 15, T28N-R59E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 29-2024

APPLICANT REQUESTS THAT BOARD ORDER 305-2012 PERTAINING TO SECTIONS 3 AND 10, T28N-R59E 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 AND THAT ORDER 306-2012 THAT AUTHORIZED AN ADDITIONAL WELL IN THAT SPACING UNIT BE VACATED.

APPLICANT FURTHER REQUESTS THAT BOARD ORDER 620-2012 PERTAINING TO SECTIONS 15 AND 22, T28N-R59E 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 AND THAT ORDER 621-2012 THAT AUTHORIZED AN ADDITIONAL WELL IN THAT SPACING UNIT BE VACATED.

Docket No. 39-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).

BOARD ORDER NO. 29-2024

3. Sections 3 and 10, T28N-R59E, was designated a permanent spacing unit by Order 304-2012, and Bakken/Three Forks interests within the spacing unit were pooled by Order 305-2012. Sections 15 and 22, T28N-R59E, was designated a permanent spacing unit by Order 619-2012, and Bakken/Three Forks interests within the spacing unit were pooled by Order 620-2012.

4. Applicant testified the proposed overlapping temporary spacing unit comprised of Sections 3, 10, and 15, T28N-R59E, applicable to Docket 39-2024, and the proposed overlapping temporary spacing unit comprised of Sections 22, 27, and 34, T28N-R59E, applicable to Docket 41-2024, would have a common well pad and be developed at the same time to protect correlative rights.

5. Grayson Mill is the majority working interest owner in the proposed overlapping temporary spacing unit and the operator of the Stateline 5-1003H and Stateline 3-1522H wells.

6. No protest to the application of Grayson Mill was made.

7. 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 3, 10, and 15, T28N-R59E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

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

IT IS FURTHER ORDERED that the pooling order established by Board Order 305-2012 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Stateline 5-1003H and the pooling order established by Board Order 620-2012 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Stateline 3-1522H well.

IT IS FURTHER ORDERED that Board Orders 306-2012 and 621-2012 are hereby vacated.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 29-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC
TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL
HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS
ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTIONS 3, 10, AND 15, T28N-R59E,
ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200'
(HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE
EXTERIOR BOUNDARIES THEREOF.

ORDER 30-2024

Docket No. 40-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).
3. The lands described in the caption was designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 29-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 3, 10, and 15, T28N-R59E, Roosevelt County, Montana.
5. No protest to the application of Grayson Mill was made.
6. 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, MCA have been met.

BOARD ORDER NO. 30-2024

Order

IT IS THEREFORE ORDERED by the Board that Grayson Mill is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 3, 10, and 15, T28N-R59E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 22, 27, AND 34, T28N-R59E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 31-2024

APPLICANT REQUESTS THAT BOARD ORDER 106-2014 PERTAINING TO SECTIONS 27 AND 34, T28N-R59E 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 AND THAT ORDER 107-2014 THAT AUTHORIZED AN ADDITIONAL WELL IN THAT SPACING UNIT BE VACATED.

APPLICANT FURTHER REQUESTS THAT BOARD ORDER 620-2012 PERTAINING TO SECTIONS 15 AND 22, T28N-R59E 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 AND THAT ORDER 621-2012 THAT AUTHORIZED AN ADDITIONAL WELL IN THAT SPACING UNIT BE VACATED.

Docket No. 41-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).

BOARD ORDER NO. 31-2024

3. Sections 27 and 34, T28N-R59E, was designated a permanent spacing unit by Order 105-2014, and Bakken/Three Forks interests within the spacing unit were pooled by Order 106-2014. Sections 15 and 22, T28N-R59E, was designated a permanent spacing unit by Order 619-2012, and Bakken/Three Forks interests within the spacing unit were pooled by Order 620-2012.

4. Applicant testified the proposed overlapping temporary spacing unit comprised of Sections 3, 10, and 15, T28N-R59E, applicable to Docket 39-2024, and the proposed overlapping temporary spacing unit comprised of Sections 22, 27, and 34, T28N-R59E, applicable to Docket 41-2024, would have a common well pad and be developed at the same time to protect correlative rights.

5. Grayson Mill is the majority working interest owner in the proposed overlapping temporary spacing unit and the operator of the Stateline 14-3427H and Stateline 3-1522H wells.

6. No protest to the application of Grayson Mill was made.

7. 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 22, 27, and 34, T28N-R59E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

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

IT IS FURTHER ORDERED that the pooling order established by Board Order 106-2014 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Stateline 14-3427H well and the pooling order established by Board Order 620-2012 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Stateline 3-1522H well.

IT IS FURTHER ORDERED that Board Orders 107-2014 and 621-2012 are hereby vacated.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 31-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC
TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL
HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS
ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTIONS 22, 27, AND 34, T28N-
R59E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN
200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO
THE EXTERIOR BOUNDARIES THEREOF.

ORDER 32-2024

Docket No. 42-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).
3. The lands described in the caption was designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 31-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 22, 27, and 34, T28N-R59E, Roosevelt County, Montana.
5. No protest to the application of Grayson Mill was made.
6. 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, MCA have been met.

BOARD ORDER NO. 32-2024

Order

IT IS THEREFORE ORDERED by the Board that Grayson Mill is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 22, 27, and 34, T28N-R59E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4, 9, AND 16, T28N-R59E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 33-2024

APPLICANT REQUESTS THAT BOARD ORDER 51-2018 PERTAINING TO SECTIONS 4 AND 9, T28N-R59E BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE DANIELLE 4-9 #1H WELL.

APPLICANT FURTHER REQUESTS THAT BOARD ORDER 317-2012 PERTAINING TO SECTIONS 16 AND 21, T28N-R59E 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 7-2116H WELL AND THAT ORDER 318-2012 THAT AUTHORIZED AN ADDITIONAL WELL IN THAT SPACING UNIT BE VACATED.

Docket No. 43-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).

3. Sections 4 and 9, T28N-R59E, was designated a permanent spacing unit by Order 50-2018, and Bakken/Three Forks interests within the spacing unit were pooled by Order 51-2018. Sections 16 and 21, T28N-R59E, was designated a permanent spacing unit by Order 316-2012, and Bakken/Three Forks interests within the spacing unit were pooled by Order 317-2012.

BOARD ORDER NO. 33-2024

4. Applicant testified the proposed overlapping temporary spacing unit comprised of Sections 4, 9, and 16, T28N-R59E, applicable to Docket 43-2024, and the proposed overlapping temporary spacing unit comprised of Sections 21, 28, and 33, T28N-R59E, applicable to Docket 45-2024, would have a common well pad and be developed at the same time to protect correlative rights.

5. Grayson Mill is the majority working interest owner in the proposed overlapping temporary spacing unit and the operator of the Stateline 7-2116H well. Kraken Oil & Gas LLC is the operator of Danielle 4-9 #1H well.

6. No protest to the application of Grayson Mill was made.

7. 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 4, 9, and 16, T28N-R59E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

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

IT IS FURTHER ORDERED that the pooling order established by Board Order 51-2018 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Danielle 4-9 #1H well and the pooling order established by Board Order 317-2012 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Stateline 7-2116H well.

IT IS FURTHER ORDERED that Board Order 318-2012 is hereby vacated.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 33-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC
TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL
HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS
ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTIONS 4, 9, AND 16, T28N-R59E,
ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200'
(HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE
EXTERIOR BOUNDARIES THEREOF.

ORDER 34-2024

Docket No. 44-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).
3. The lands described in the caption was designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 33-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 4, 9, and 16, T28N-R59E, Roosevelt County, Montana.
5. No protest to the application of Grayson Mill was made.
6. 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, MCA have been met.

BOARD ORDER NO. 34-2024

Order

IT IS THEREFORE ORDERED by the Board that Grayson Mill is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 4, 9, and 16, T28N-R59E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 21, 28, AND 33, T28N-R59E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 35-2024

APPLICANT REQUESTS THAT BOARD ORDER 27-2014 PERTAINING TO SECTIONS 28 AND 33, T28N-R59E 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 8-3328H WELL AND THAT ORDER 28-2014 THAT AUTHORIZED AN ADDITIONAL WELL IN THAT SPACING UNIT BE VACATED.

APPLICANT FURTHER REQUESTS THAT BOARD ORDER 317-2012 PERTAINING TO SECTIONS 16 AND 21, T28N-R59E 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 7-2116H WELL AND THAT ORDER 318-2012 THAT AUTHORIZED AN ADDITIONAL WELL IN THAT SPACING UNIT BE VACATED.

Docket No. 45-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).

BOARD ORDER NO. 35-2024

3. Sections 28 and 33, T28N-R59E, was designated a permanent spacing unit by Order 26-2014, and Bakken/Three Forks interests within the spacing unit were pooled by Order 27-2014. Sections 16 and 21, T28N-R59E, was designated a permanent spacing unit by Order 316-2012, and Bakken/Three Forks interests within the spacing unit were pooled by Order 317-2012.

4. Applicant testified the proposed overlapping temporary spacing unit comprised of Sections 4, 9, and 16, T28N-R59E, applicable to Docket 43-2024, and the proposed overlapping temporary spacing unit comprised of Sections 21, 28, and 33, T28N-R59E, applicable to Docket 45-2024, would have a common well pad and be developed at the same time to protect correlative rights.

5. Grayson Mill is the majority working interest owner in the proposed overlapping temporary spacing unit and the operator of the Stateline 8-3328H and Stateline 7-2116H wells.

6. No protest to the application of Grayson Mill was made.

7. 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 21, 28, and 33, T28N-R59E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

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

IT IS FURTHER ORDERED that the pooling order established by Board Order 27-2014 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Stateline 8-3328H well and the pooling order established by Board Order 317-2012 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Stateline 7-2116H well.

IT IS FURTHER ORDERED that Board Orders 28-2014 and 318-2012 are hereby vacated.

BOARD ORDER NO. 35-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC
TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL
HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS
ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTIONS 21, 28, AND 33, T28N-
R59E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN
200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO
THE EXTERIOR BOUNDARIES THEREOF.

ORDER 36-2024

Docket No. 46-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).
3. The lands described in the caption was designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 35-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 21, 28, and 33, T28N-R59E, Roosevelt County, Montana.
5. No protest to the application of Grayson Mill was made.
6. 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, MCA have been met.

BOARD ORDER NO. 36-2024

Order

IT IS THEREFORE ORDERED by the Board that Grayson Mill is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 21, 28, and 33, T28N-R59E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 GRAYSON MILL OPERATING, LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 1, 2, 3, 10, 11, 12, 13, 14, AND 15, T28N-R59E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL AT A LOCATION PROXIMATE TO THE COMMON BOUNDARY BETWEEN ALL OF SECTIONS 2, 11, AND 14, T28N-R59E AND ALL OF SECTIONS 3, 10, AND 15, T28N-R59E, WITH A 200' HEEL/TOE SETBACK TO THE EXTERIOR BOUNDARIES THEREOF. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL, AND APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 37-2024

Docket No. 47-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).
3. Sections 1, 2, 11, 12, 13, and 14, T28N-R59E was designated an overlapping temporary spacing unit by Order 36-2023 and Sections 3, 10, and 15, T28N-R59E was designated an overlapping temporary spacing unit by Order 29-2024.
4. At the time of hearing, applicant agreed to the stipulation that operations for the drilling of said well must be commenced within one year of the date of this order.
5. No protest to the application of Grayson Mill was made.
6. 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 1, 2, 3, 10, 11, 12, 13, 14, and 15, T28N-R59E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well at a location proximate to the common boundary between Sections 2, 11, and 14, T28N-R59E, and Sections 3, 10, and 15, T28N-R59E, but not closer than 200' (heel/toe setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

IT IS FURTHER ORDERED that the well authorized under this application cannot be drilled until a horizontal Bakken/Three Forks Formation well capable of production is drilled in the west half of Sections 2, 11, and 14 of the underlying spacing unit comprised of Sections 1, 2, 11, 12, 13, and 14, T28N-R59E.

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

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Corey Welter, Board Member

Jeff Wivholm, Board Member

I dissent

Roy Brown, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF GRAYSON MILL OPERATING, LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 22, 23, 24, 25, 26, 27, 34, 35, AND 36, T28N-R59E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL AT A LOCATION PROXIMATE TO THE COMMON BOUNDARY BETWEEN ALL OF SECTIONS 23, 26, AND 35, T28N-R59E AND ALL OF SECTIONS 22, 27, AND 34, T28N-R59E, WITH A 200' HEEL/TOE SETBACK TO THE EXTERIOR BOUNDARIES THEREOF. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL, AND APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 38-2024

Docket No. 49-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Tracy Lam, consulting landman, Catherine Henry, geologist, and Niki Nichols, reservoir engineer, appeared on behalf of Grayson Mill Operating, LLC (Grayson Mill).
3. Sections 23, 24, 25, 26, 35, and 36, T28N-R59E was designated an overlapping temporary spacing unit by Order 38-2023 and Sections 22, 27, and 34, T28N-R59E was designated an overlapping temporary spacing unit by Order 31-2024.
4. At the time of hearing, applicant agreed to the stipulation that operations for the drilling of said well must be commenced within one year of the date of this order.
5. No protest to the application of Grayson Mill was made.
6. 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 22, 23, 24, 25, 26, 27, 34, 35, and 36, T28N-R59E, Roosevelt County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well at a location proximate to the common boundary between Sections 23, 26, and 35, T28N-R59E, and Sections 22, 27, and 34, T28N-R59E, but not closer than 200' (heel/toe setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

IT IS FURTHER ORDERED that the well authorized under this application cannot be drilled until a horizontal Bakken/Three Forks Formation well capable of production is drilled in the west half of Sections 23, 26, and 35 of the underlying spacing unit comprised of Sections 23, 24, 25, 26, 35, and 36, T28N-R59E.

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

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Corey Welter, Board Member

Jeff Wivholm, Board Member

I dissent

Roy Brown, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF PHOENIX OPERATING LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 21, 28, AND 33, T30N-R59E, ROOSEVELT COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 40-2024

Docket No. 52-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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, Mark Johnson, executive vice president of land, regulatory, and HSE, Brandon Allen, reservoir engineer, and Nick Daniele, vice president of geology, appeared on behalf of Phoenix Operating LLC (Phoenix).
4. At the time of hearing, applicant agreed to the stipulation that operations for the drilling of said well must be commenced within one year of the date of this order.
5. No protest to the application of Phoenix was made.
6. 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, MCA have been met.

BOARD ORDER NO. 40-2024

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 21, 28, and 33, T30N-R59E, Roosevelt County, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 PHOENIX OPERATING LLC TO AUTHORIZE THE DRILLING OF UP TO TWO ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 21, 28, AND 33, T30N-R59E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 41-2024

Docket No. 53-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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, Mark Johnson, executive vice president of land, regulatory, and HSE, Brandon Allen, reservoir engineer, and Nick Daniele, vice president of geology, appeared on behalf of Phoenix Operating LLC (Phoenix).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 40-2024.
4. Evidence presented at the time of the hearing supports the drilling of two additional horizontal Bakken/Three Forks interval wells in Sections 21, 28, and 33, T30N-R59E, Roosevelt County, Montana.
5. No protest to the application of Phoenix was made.
6. 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, MCA have been met.

BOARD ORDER NO. 41-2024

Order

IT IS THEREFORE ORDERED by the Board that Phoenix is authorized to drill up to two additional horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 21, 28, and 33, T30N-R59E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 TEXAKOMA EXPLORATION & PRODUCTION LLC TO VACATE BOARD ORDER 58-2002 THAT AUTHORIZED A MADISON FORMATION WELL AT A PROPOSED WELL LOCATION APPROXIMATELY 160' FSL AND 1,450' FWL IN SECTION 27, T31N-R43E, VALLEY COUNTY, MONTANA.

ORDER 42-2024

APPLICANT REQUESTS TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE N½SE¼ OF SECTION 27, T31N-R43E, VALLEY COUNTY, MONTANA, DRILL A VERTICAL MADISON GROUP TEST WELL AT A PROPOSED WELL LOCATION APPROXIMATELY 360' FNL AND 425' FEL OF THE BOUNDARY OF THE PROPOSED TEMPORARY SPACING UNIT. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

Docket No. 54-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Hagen Vasek, senior landman, and Michael Christie, senior geophysicist, appeared on behalf of Texakoma Exploration & Production LLC (Texakoma).
3. At the time of hearing, Mr. Price withdrew the request to vacate Board Order 58-2002.
4. No protest to the application of Texakoma 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, MCA have been met.

BOARD ORDER NO. 42-2024

Order

IT IS THEREFORE ORDERED by the Board that the N½SE¼ of Section 27, T31N-R43E, Valley County, Montana, is designated a temporary spacing unit to drill a vertical Madison Group test well at the proposed location of approximately 360' FNL and 425' FEL of the boundary of the spacing unit.

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 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 TEXAKOMA EXPLORATION & PRODUCTION LLC TO VACATE BOARD ORDER 58-2002 THAT AUTHORIZED A MADISON FORMATION WELL AT A PROPOSED WELL LOCATION APPROXIMATELY 160' FSL AND 1,450' FWL IN SECTION 27, T31N-R43E, VALLEY COUNTY, MONTANA.

ORDER 43-2024

APPLICANT REQUESTS TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE S½SE¼ OF SECTION 27, T31N-R43E, VALLEY COUNTY, MONTANA, DRILL A VERTICAL MADISON GROUP TEST WELL AT A PROPOSED WELL LOCATION APPROXIMATELY 410' FSL AND 1,085' FEL OF THE BOUNDARY OF THE PROPOSED TEMPORARY SPACING UNIT. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

Docket No. 55-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Hagen Vasek, senior landman, and Michael Christie, senior geophysicist, appeared on behalf of Texakoma Exploration & Production LLC (Texakoma).
3. At the time of hearing, Mr. Price withdrew the request to vacate Board Order 58-2002.
4. No protest to the application of Texakoma 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, MCA have been met.

BOARD ORDER NO. 43-2024

Order

IT IS THEREFORE ORDERED by the Board that the S½SE¼ of Section 27, T31N-R43E, Valley County, Montana, is designated a temporary spacing unit to drill a vertical Madison Group test well at the proposed location of approximately 410' FSL and 1,085' FEL of the boundary of the spacing unit.

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 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 TEXAKOMA EXPLORATION & PRODUCTION LLC TO DRILL A VERTICAL MADISON GROUP TEST WELL AT A PROPOSED WELL LOCATION APPROXIMATELY 460' FNL AND 285' FEL OF THE BOUNDARY OF THE SPACING UNIT COMPRISED OF THE N½SE¼ IN SECTION 17, T31N-R44E, VALLEY COUNTY, MONTANA, AS AN EXCEPTION TO LUSTRE FIELD RULES ESTABLISHED BY BOARD ORDER 19-1983. (LUSTRE FIELD)

ORDER 44-2024

Docket No. 56-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Hagen Vasek, senior landman, and Michael Christie, senior geophysicist, appeared on behalf of Texakoma Exploration & Production LLC (Texakoma).
3. Texakoma proposed to drill a Madison Group test well at a location closer than 330' to the boundaries of the spacing unit that is not in compliance with Lustre Field rules established by Board Order 19-1983.
4. No protest to the application of Texakoma 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Texakoma is authorized to drill a vertical Madison Group test well at the proposed location of approximately 460' FNL and 285' FEL of the boundary of the spacing unit comprised of the N½SE¼ of Section 17, 31N-44E, Valley County, Montana, as an exception to Lustre Field rules under Board Order 19-1983.

BOARD ORDER NO. 44-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 TEXAKOMA EXPLORATION & PRODUCTION LLC TO DRILL A VERTICAL MADISON GROUP TEST WELL AT A PROPOSED WELL LOCATION APPROXIMATELY 130' FSL AND 1,090' FEL OF THE BOUNDARY OF THE SPACING UNIT COMPRISED OF THE N½SW¼ IN SECTION 36, T31N-R43E, VALLEY COUNTY, MONTANA, AS AN EXCEPTION TO LUSTRE FIELD RULES ESTABLISHED BY BOARD ORDER 19-1983. (LUSTRE FIELD)

ORDER 45-2024

Docket No. 57-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. Uriah Price, attorney, Hagen Vasek, senior landman, and Michael Christie, senior geophysicist, appeared on behalf of Texakoma Exploration & Production LLC (Texakoma).
3. Texakoma proposed to drill a Madison Group test well at a location closer than 330' to the boundaries of the spacing unit that is not in compliance with Lustre Field rules established by Board Order 19-1983.
4. No protest to the application of Texakoma 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, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Texakoma is authorized to drill a vertical Madison Group test well at the proposed location of approximately 130' FSL and 1,090' FEL of the boundary of the spacing unit comprised of the N½SW¼ of Section 36, T31N-R43E, Valley County, Montana, as an exception to Lustre Field rules under Board Order 19-1983.

BOARD ORDER NO. 45-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 WHITE ROCK OIL & GAS, LLC TO CONVERT THE BRUTUS 1-8 WELL (API #25-083-23009) LOCATED IN THE SE¼SE¼ OF SECTION 8, T24N-R57E, RICHLAND COUNTY, MONTANA (LONE TREE FIELD) TO A SALTWATER DISPOSAL WELL IN THE DAKOTA AT A DEPTH OF APPROXIMATELY 5,480 – 5,567 FT AND LAKOTA FORMATION AT A DEPTH OF APPROXIMATELY 5,726 – 5,970 FT. AN AQUIFER EXEMPTION HAS BEEN REQUESTED SINCE THE INJECTION ZONE CONTAINS WATER WITH LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 39-2024

Docket No. 26-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. No protest to the application of White Rock Oil & Gas, 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 White Rock Oil & Gas, LLC is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 39-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 BOOTSTRAP OIL LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, 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.

ORDER 46-2024

Docket No. 64-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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. No one appeared on behalf of Bootstrap Oil LLC (Bootstrap Oil).
3. Bootstrap Oil has not filed the delinquent production and injection reports or paid the outstanding fine of \$1,220.
4. 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.

Order

IT IS THEREFORE ORDERED by the Board that Bootstrap Oil is fined \$1,000 for failure to appear at the April 11, 2024, public hearing.

IT IS FURTHER ORDERED that Bootstrap Oil is to appear at the June 13, 2024, public hearing, if any it has, for why it should not immediately plug and abandon or transfer its three wells in Sheridan County, Montana.

BOARD ORDER NO. 46-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 HAWLEY OIL COMPANY TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, 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.

ORDER 47-2024

Docket No. 65-2024

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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, appeared on behalf of Hawley Oil Company (Hawley Oil).
3. Hawley Oil submitted the delinquent production and injection reports and paid the outstanding fine.
4. Staff recommended the docket be dismissed.
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 demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Docket 65-2024 is dismissed.

IT IS FURTHER ORDERED that Board staff send a letter to Hawley Oil reminding them of the reporting requirements.

BOARD ORDER NO. 47-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

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 YELLOWSTONE
PETROLEUMS, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT
HAS, WHY IT SHOULD NOT IMMEDIATELY PLUG AND ABANDON
ITS WELLS IN CARBON, GLACIER, PONDERA, AND TOOLE
COUNTIES, MONTANA.

ORDER 48-2024

Docket No. 135-2023

Report of the Board

The above entitled cause came on regularly for hearing on April 11, 2024, 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 W. John Tietz 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, and Charlie Locke, president, appeared on behalf Yellowstone Petroleum, Inc (Yellowstone).
3. Yellowstone has been talking with potential buyers and agreed to plug and abandon the Essex-Thompson 1 and Myhre 3-25 wells this year and proposed a schedule to address the remaining inactive wells in subsequent years.
4. 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.

Order

IT IS THEREFORE ORDERED by the Board that staff will provide the Board an update at the October 9, 2024, business meeting of Yellowstone's progress to reduce its plugging liability.

IT IS FURTHER ORDERED that the Essex-Thompson 1 and Myhre 3-25 must be plugged and abandoned in 2024, and the following inactive wells must be reactivated, transferred, or plugged and abandoned per the schedule below.

BOARD ORDER NO. 48-2024

Year	Well Name	API	Location	Footage
2025	Banka 6-7	073-21535	27N-2W-7 SW SE NW	2310 FNL, 1575 FWL
	Banka 11-7	073-21552	27N-2W-7 SW NE SW	1650 FSL, 1650 FWL
	State 5-16	073-21621	27N-2W-16 NE SW NW	1650 FNL, 990 FWL
	State 11C-16	073-21624	27N-2W-16 SW NE SW	1725 FSL, 1650 FWL
	Denzer 7-21	073-21520	27N-2W-21 SW SW NE	2310 FNL, 2310 FEL
	Denzer 8-21	073-21521	27N-2W-21 NW SE NE	1650 FNL, 990 FEL
	Denzer 2-21	073-21522	27N-2W-21 SW NW NE	990 FNL, 2310 FEL
	Oien 6-21-27-2W	073-21544	27N-2W-21 NW SE NW	1650 FNL, 1650 FWL
Denzer 3-21	073-21622	27N-2W-21 NE NE NW	330 FNL, 2310 FWL	
2026	George 2X	101-05407	34N-2W-8 SW SW SE	243 FSL, 2420 FEL
	George 4-X	101-05384	34N-2W-8 E2 SW SE	650 FSL, 1540 FEL
	George 1	101-05390	34N-2W-8 SE SW SE	330 FSL, 1650 FEL
	George 10-8	101-22297	34N-2W-8 SE NW SE	1540 FSL, 1540 FEL
	George 3	101-60265	34N-2W-8 W2 SW SE	660 FSL, 2420 FEL
	Blumberg 4	101-05710	35N-3W-32 SE NE NE	1100 FNL, 220 FEL
	Blumberg 5	101-05715	35N-3W-32 W2 NW NE	660 FNL, 2420 FEL
	Blumberg 3	101-05728	35N-3W-32 NE NW NE	330 FNL, 1650 FEL
	Blumberg 2	101-05734	35N-3W-32 NW NW NE	220 FNL, 2420 FEL
	Blumberg Cox 1	101-21922	35N-3W-32 NE SE NE	1540 FNL, 220 FEL
	Blumberg 8-32	101-22298	35N-3W-32 NW SE NE	1650 FNL, 1100 FEL
	Thumm 1	101-05712	35N-3W-33 SW NW NW	1100 FNL, 220 FWL
	Thumm 2	101-05732	35N-3W-33 NW NW NW	220 FNL, 220 FWL
	Thumm 3	101-05709	35N-3W-33 NW NW	1100 FNL, 660 FWL

BOARD ORDER NO. 48-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of April, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Corey Welter, Board Member

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist