### SUMMARY PAGE

# Landowner/Mineral Owner Complaint Montana Energy Company, LLC (MEC) Nordahl 2-11 Well with API 25-095-21266

- o Via Landowner/Mineral Owner Complaint BOGC staff following actions:
  - 3/19/2024→ Staff sent letter to MEC concerning complaint on subject well encouraging operator to work with surface and mineral owner to resolve issues. See last page of handout.
  - 3/19/2024 → Staff requested Sundry Form-2 to be submitted May 9, 2024, for intentions of the well.
    - No sundry submitted for intentions of the well.
  - 3/25/2024 → USPS tracking status stating letter was delivered.
  - Referred to board business meeting June 12, 2024. Surface owner/mineral owner made public comment at business meeting.
  - 8/14/2024→ No Action by operator as of August Business Meeting. Surface owner/mineral owner made public comment at business meeting.
  - 8/23/2024→ Certified letter sent to MEC asking for plans and timeline under which plugging and abandoning the well will be performed and/or if MEC has a valid lease to produce the well and if the well has future use. See Pages 3 and 4 of handout.

  - 9/20/2024→ Certified mail returned undeliverable.
  - 10/3/2024 → Email received from operator. See 2<sup>nd</sup> page of handout.



October 3, 2024

CASE: Nordahl 2-11

API: 2509521266

Dear Ben Davis

In response to your Nordahl lease document 2-11, we would like to express our interest in resuming economic production from the Nordahl 2-11 well. To facilitate this, we will conduct an investigation to regularize the lease associated with the well. Once the lease has been regularized, we will proceed with pressure testing to ensure the integrity of the well's casing, followed by any necessary operations to restore production.

Thank you

lorge de la Torre

**CFO** 

Montana Energy Company LLC

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



OIL AND GAS CONSERVATION DIVISION

# STATE OF MONTANA

August 23, 2024

MONTANA ENERGY COMPANY, LLC

Atten: Carlos de la Torre 211 North Col Rowe Blvd McAllen, TX 78501

Re:

Nordahl 2-11

API: 2509521266

Dear Mr. Cantu.

The Board of Oil and Gas Conservation ("BOGC") become aware through landowner complaint that the mineral lease associated with the well referenced above may have expired. Furthermore, this well has been shut-in for over 10 years.

When a well is no longer capable of production, the operator has the obligation to plug and abandon the well and to restore the location, as required by ARM 36.22.1303(1).

"The owner shall not permit any well drilled for oil, gas, saltwater disposal, or any other purpose to remain unplugged after such well is no longer useful for the purpose for which it was drilled or converted. When a well is no longer capable of production because the underlying reservoir or reservoirs are depleted and there is no possible future use for the well in supplemental recovery operations or for disposal facilities, the operator shall within one year plug and abandon the well as set forth in this subchapter, unless otherwise authorized by the petroleum engineer or his authorized agent."

No later than October 8, 2024, please submit to this office an update on the Nordahl 2-11 and a schedule under which the plugging and restoration will be performed. If MEC has a valid lease to produce the well and the has the potential for future use, please provide a request for the inapplicability of the plugging requirement and well-specific documentation to support the request.

The plugging schedule, or the request for the inapplicability of the plugging requirement, will be reviewed by the Board and staff and may be scheduled for additional BOGC action.

Sincerely,

Ben Davis

Montana Board of Oil and Gas Conservation

Technical Program Coordinator

Benjamin.Davis@mt.gov

406-656-0040

DIVISION OFFICE 1539 11th AVENUE PO BOX 201601 HELENA, MONTANA 59620-1601 (406) 444-6731

TECHNICAL AND SOUTHERN FIELD OFFICE 2535 ST. JOHNS AVENUE BILLINGS, MONTANA 59102-4693 (406) 656-0040 NORTHERN FIELD OFFICE 201 MAIN STREET PO BOX 690 SHELBY, MONTANA 59474-0690 (406) 434-2422

875	A			Wells	SI	%
Monta	ana Energy Company, Li	_C	/ Well	85	40	47%
U1	UIC Limited Bond	\$160,000	\$7,619.05	21	2	10%
M1	Multiple Well Bond	\$50,000	\$781.25	64	38	59%
	SI Two to Five Years	SI Five to Ten Years	SI Greater than Ten Ye	ars	Total	
	6	9	25		40	1
/M1	Multiple Well Bond	d				

875/ <b>M</b> 1	Multipl	e Well Bond					
							Last Non-Zero
875 M1	087-21726	CSTSU D215X WSW	11N-32E-15 SE NE	2498 FNL, 1257 FEL	С	WS	1/31/2012
875 M1	065-05111	Quinnell 1	10N-26E-24 SE NE SE	1650 FSL, 330 FEL	SI	OIL	4/30/1994
875 M1	065-05171	Zoerb 3	10N-27E-18 SW SW SE	330 FSL, 2310 FEL	SI	OIL	12/31/2010
875 M1	065-05172	Moffet D818	10N-27E-18 SE SE SW	330 FSL, 2083 FWL	SI	OIL	8/31/2020
875 M1	065-21775	B.N. 34-19	10N-27E-19 SW SE	662 FSL, 1827 FEL	SI	OIL	2/28/1995
875 M1	065-21807	BNRR B NCT-1 16	10N-27E-19 SE SE	1200 FSL, 3968 FWL	SI	OIL	3/31/2015
875 M1	087-05322	CSTSU B409	11N-32E-9 C SE SW	660 FSL, 1980 FWL	SI	OIL	2/28/2022
875 M1	087-05326	CSTSU A409	11N-32E-9 C SW SW	660 FSL, 660 FWL	SI	OIL	4/30/2018
875 M1	087-05328	CSTSU B410	11N-32E-10 C SE SW	660 FSL, 3300 FEL	SI	OIL	3/31/2015
875 M1	087-21622	CSTSU D410Y	11N-32E-10 SE SE	150 FSL, 85 FEL	SI	OIL	5/31/2018
875 M1	087-05330	CSTSU D410	11N-32E-10 C SE SE	660 FSL, 660 FEL	SI	OIL	1/31/2021
875 M1	087-05327	CSTSU A410X	11N-32E-10 SW SW	607 FSL, 713 FWL	SI	OIL	1/31/1989
875 M1	087-05315	CSTSU C411	11N-32E-11 C SW SE	660 FSL, 1980 FEL	SI	OIL	4/30/2013
875 M1	087-05281	CSTSU A215	11N-32E-15 C SW NW	1980 FNL, 660 FWL	SI	OIL	10/31/1990
875 M1	087-05295	CSTSU D115	11N-32E-15 C NE NE	660 FNL, 660 FEL	SI	OIL	7/31/1987
875 M1	087-05279	CSTSU D216	11N-32E-16 C SE NE	1992 FNL, 660 FEL	SI	OiL	
875 M1	087-05302	CSTSU D116	11N-32E-16 C NE NE	660 FNL, 660 FEL	SI	OIL	3/31/2015
875 M1	095-21266	Nordahi 2-11	1N-21E-11 NW NE	990 FNL, 1980 FEL	SI	GAS	
875 M1	095-21164	Keating 6-23	1N-21E-23 SE NW	1980 FNL, 1980 FWL	SI	GAS	
875 <b>M</b> 1	095-21125	Leuthold 12-24	1N-21E-24 SE NW SW	1482 FSL, 1072 FWL	SI	GAS	
875 M1	095-21149	Leuthold 10-24	1N-21E-24 NW SE	1980 FSL, 1980 FEL	SI	GAS	
875 M1	095-21056	Fradet 4-24	1N-21E-24 NW NW	990 FNL, 990 FWL	SI	GAS	
875 M1	095-21143	Keating 1A-26	1N-21E-26 NE NE	779 FNL, 771 FEL	SI	GAS	
875 M1	095-21040	Keating 1-26	1N-21E-26 C NE	1320 FNL, 1320 FEL	SI	GAS	
875 M1	095-21100	Moddrell 12-26	1N-21E-26 SW NE SW	1617 FSL, 1443 FWL	SI	GAS	11/30/1989
875 <b>M</b> 1	095-21214	Leuthold 9-34	1N-21E-34 NE SE	1980 FSL, 660 FEL	SI	GAS	4/30/1992
875 M1	095-21215	Leuthold 11-34	1N-21E-34 NE SW	1980 FSL, 1980 FWL	SI	GAS	4/30/1992
875 M1	095-21062	Leuthold 1-35	1N-21E-35 SW NE NE	990 FNL, 990 FEL	SI	GAS	12/31/2010
875 M1	095-21151	Keating 13-35	1N-21E-35 NE SW SW	1137 FSL, 1083 FWL	SI	GAS	4/30/2008
875 M1	095-21152	Leuthold 9-35	1N-21E-35 SW NE SE	1561 FSL, 1094 FEL	SI	GAS	6/30/1996
875 M1	095-21046	State 4-36	1N-21E-36 SE NW NW	990 FNL, 990 FWL	SI	GAS	3/31/2020
875 M1	095-21267	Kirchner 2-9	2N-20E-9 NW NE	1000 FNL, 1800 FEL	SI	GAS	10/31/2014
875 M1	095-21276	Bayswater 12-10	2N-20E-10 NW SW	1980 FSL, 660 FWL	SI	GAS	8/31/2010
875 M1	095-05084	Copulos (1-0309-1) 1A	2N-21E-15 NE NW SE	2008 FSL, 1957 FEL	SI	GAS	
875 M1	095-05079	Castle (1-0308-2) 1	2N-21E-22 NW SE	1980 FSL, 1980 FEL	SI	GAS	9/30/2008 10/31/1992
875 M1	097-21044	Stimpson 14-13	3N-18E-13 SW SW	1050 FSL, 1130 FWL	SI	GAS	
875 M1	097-21047	Stimpson 33-14	3N-18E-14 NW SE	2443 FSL, 1412 FEL	SI	GAS	10/31/2021
875 M1	097-21046	Stimpson 31-24	3N-18E-24 NW NE	1000 FNL, 1800 FEL	SI	GAS	6/30/2018
875/U1	UIC Lim	ited Bond		. JOOT NE, TOUCH LE	31		12/31/2010
875 U1	065-21611		401.075.0			- 1	Last Non-Zero
875 U1	087-05304	Little Wall Creek 3-9	10N-27E-9 NW SW	1981 FSL, 669 FWL	TA	EOR	11/30/1990
5.5 01	307-03304	CSTSU A116	11N-32E-16 NW NW	660 FNL, 660 FWL	TA	EOR	********

<sup>1</sup> Operator(s) Included in Report

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



OIL AND GAS CONSERVATION DIVISION

# STATE OF MONTANA

March 19, 2024

MONTANA ENERGY COMPANY, LLC Atten: Carlos de la Torre 211 North Col Rowe Blvd McAllen, TX 78501

Re:

Nordahl 2-11 API: 2509521266

Dear Mr. Cantu.

The Board of Oil and Gas Conservation ("BOGC") recently become aware through landowner complaint that the mineral lease associated with the well referenced above may have expired. Furthermore, this well has been shut-in for over 10 years.

When a well is no longer capable of production, the operator has the obligation to plug and abandon the well and to restore the location, as required by ARM 36.22.1303(1).

"The owner shall not permit any well drilled for oil, gas, saltwater disposal, or any other purpose to remain unplugged after such well is no longer useful for the purpose for which it was drilled or converted. When a well is no longer capable of production because the underlying reservoir or reservoirs are depleted and there is no possible future use for the well in supplemental recovery operations or for disposal facilities, the operator shall within one year plug and abandon the well as set forth in this subchapter, unless otherwise authorized by the petroleum engineer or his authorized agent."

Please submit to this office your intentions concerning this well by Sundry notice (Form-2) by May 9, 2024. Your response will be reviewed by board staff and may be scheduled for additional BOGC action at the June 12<sup>th</sup>, 2024, BOGC business meeting.

I encourage Montana Energy Company to work with surface owner and mineral owner to rectify the situation prior to board business meeting on June 12<sup>th</sup>, 2024.

Sincerely,

Ben Davis
Montana Board of Oil and Gas Conservation
Technical Program Coordinator
Benjamin.Davis@mt.gov
406-656-0040

DIVISION OFFICE 1539 11th AVENUE PO BOX 201601 HELENA, MONTANA 59620-1601 (406) 444-6731

TECHNICAL AND SOUTHERN FIELD OFFICE 2535 ST. JOHNS AVENUE BILLINGS, MONTANA 59102-4693 (406) 656-0040

NORTHERN FIELD OFFICE 201 MAIN STREET PO BOX 690 SHELBY, MONTANA 59474-0690 (406) 434-2422

# STATE OF MONTANA

# 2025

PROPOSED ME	ETING S	SCHEDULE
-------------	---------	----------

January	February	March
S M T W TH F S	S M T W TH F S	S M T W TH F S
1 2 3 4	1	1
5 6 7 8 9 10 11	2 3 4 <u>5 NAPE</u> 8	2 3 4 5 6 7 8
12 13 14 15 (16) 17 18	9 10 11 12 13 14 15	
JAN O	FEB	MAR
19 20 21 22 23 24 25	16 17 18 19 20 21 22	16 17 18 19 20 21 22
26 27 28 29 30 31	23 24 25 26 27 28	23/30 24/31 25 26 27 28 29
April	May	June
S M T W TH F S	S M T W TH F S	S M T W TH F S
1 2 3 4 5	1 2 3	1 2 3 4 5 6 7
6 7 8 9 10 11 12	4 5 6 7 8 9 10	8 9 10 11 12 13 14
13 14 15 16 17 18 19	11 12 13 14 15 16 17	
		JUNE
20 21 22 23 24 25 26	18 19 20 21 22 23 24	22 23 24 25 26 27 28
27 28 29 30	25 (26) 27 28 29 30 31	29 30
July	August	September
July SMTWTHFS	August SMTWTHFS	September SMTWTHFS
S M T W TH F S	S M T W TH F S	S M T W TH F S
S M T W TH F S  1 2 3 4 5	S M T W TH F S  AUG  1 2	S M T W TH F S  SEPT 4 5 6
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12	S M T W TH F S  AUG  3 4 5 6 7 8 9	S M T W TH F S  SEPT 4 5 6  7 8 9 10 11 12 13
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	S M T W TH F S  AUG  3 4 5 6 7 8 9  10 11 12 13 14 15 16	S M T W TH F S  SEPT  2 3 4 5 6  7 8 9 10 11 12 13  14 15 16 17 18 19 20
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26	S     M     T     W     TH     F     S       1     2       3     4     5     6     7     8     9       10     11     12     13     14     15     16       17     18     19     20     21     22     23	S M T W TH F S  SEPT 4 5 6  7 8 9 10 11 12 13
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	S M T W TH F S  AUG  3 4 5 6 7 8 9  10 11 12 13 14 15 16	S M T W TH F S  SEPT  2 3 4 5 6  7 8 9 10 11 12 13  14 15 16 17 18 19 20
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26	S     M     T     W     TH     F     S       1     2       3     4     5     6     7     8     9       10     11     12     13     14     15     16       17     18     19     20     21     22     23	S M T W TH F S  SEPT  2 3 4 5 6  7 8 9 10 11 12 13  14 15 16 17 18 19 20  21 22 23 24 25 26 27
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S     M     T     W     TH     F     S       1     2       3     4     5     6     7     8     9       10     11     12     13     14     15     16       17     18     19     20     21     22     23       24     25     26     27     28     29     30       31	S M T W TH F S  SEPT  2 3 4 5 6  7 8 9 10 11 12 13  14 15 16 17 18 19 20  21 22 23 24 25 26 27  28 29 30
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31  October	S         M         T         W         TH         F         S           1         2         AUG         1         2           3         4         5         6         7         8         9           10         11         12         13         14         15         16           17         18         19         20         21         22         23           24         25         26         27         28         29         30           31         November	S M T W TH F S    SEPT
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S     M     T     W     TH     F     S       1     2       3     4     5     6     7     8     9       10     11     12     13     14     15     16       17     18     19     20     21     22     23       24     25     26     27     28     29     30       31	S M T W TH F S  SEPT  2 3 4 5 6  7 8 9 10 11 12 13  14 15 16 17 18 19 20  21 22 23 24 25 26 27  28 29 30
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31  October  S M T W TH F S	S         M         T         W         TH         F         S           1         2         AUG         1         2           3         4         5         6         7         8         9           10         11         12         13         14         15         16           17         18         19         20         21         22         23           24         25         26         27         28         29         30           31         November	S M T W TH F S    SEPT     SEPT     S
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31  October  S M T W TH F S  OCT 1 2 3 4	S M T W TH F S  AUG 1 2  3 4 5 6 7 8 9  10 11 12 13 14 15 16  17 18 19 20 21 22 23  24 25 26 27 28 29 30  31   November  S M T W TH F S	S M T W TH F S    SEPT     SEPT     S
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31  October  S M T W TH F S  OCT 1 2 3 4	S M T W TH F S  AUG 1 2  3 4 5 6 7 8 9  10 11 12 13 14 15 16  17 18 19 20 21 22 23  24 25 26 27 28 29 30  31  November  S M T W TH F S	S M T W TH F S    SEPT     SEPT
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31  October  S M T W TH F S  OCT  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31  November  S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	S M T W TH F S    SEPT     SEPT     S   SEPT   S
S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31  October  S M T W TH F S  OCT  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31  November  S M T W TH F S  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	S M T W TH F S    SEPT     SEPT

Filing Deadline

Meeting/Hearing

HOLIDAY

## SUMMARY PAGE

#### **Review of Digital Operating Company, LLC**

- Digital appeared for a Change of Operator in October 2023. Approval would result in 20 total producing wells with 12 not having reported production in over two years.
- At that time Digital testified that it would plug three wells and return five inactive wells to production before the end of 2023.
- Digital appeared at the April 2024 business meeting for an update. At that time, it still had 20 total producing wells with 12 not having reported production in over two years.
- Today Board records indicate Digital has 20 total producing wells with 12 not having reported production in over two years and has not plugged any wells.
- Shut-in well report is attached.

# Shut-In Wells by Operator

895 M1

895 M1

895 M1

895 M1

091-21549

091-21547

091-21183

091-21174

Holje A-2

Holje A-1

Miller 2

Miller 1

895	Α					\	Vells	SI	%	
Digital	Operating Co	ompany LLC			/ V	/ell	21	12	57%	
T1	UIC Single	Well Bond		\$10,000	\$10,000.0	00	1	0	0%	1
M1	Multiple W	ell Bond		\$50,000	\$2,500.0	00	20	12	60%	
	SI Two to Fiv	e Years	SI Five to Ten	Years \$10	Greater than	Ten Years		Total		
	3		6		3			12		
895/M1	Multiple	Well Bond								ast Non-Zero
895 M1	109-21088	Stinger 41-12		17N-58E-12	NE NE	1288 FNL,	660 FEL	SI	OIL	8/31/2019
895 M1	083-21875	Bellezza 1-24		23N-53E-24	NW SW	2200 FSL,	660 FWL	SI	OIL	3/31/2014
895 M1	083-21171	Watts 2		24N-59E-22	E2 NW NW	660 FNL, 9	990 FWL	SI	OIL	8/31/2019
895 <b>M</b> 1	083-21257	Gifford 34-35		27N-53E-35	SW SE	660 FSL, 1	1750 FEL	SI	OIL	8/31/2015
895 M1	085-21460	Dethman 1-12	:HR	27N-57E-12	SW SE	661 FSL, 1	1993 FEL	SI	OIL	1/31/2016
895 M1	091-21478	Christensen 1	2-1	32N-58E-12	SE SW	330 FSL, 1	1460 FWL	SI	OIL	7/31/2013
895 M1	091-21550	Brekke A-2		33N-55E-1	NW SE	1560 FSL,	1740 FEL	SI	OIL	3/31/2015
895 M1	091-21546	I.S. Brekke A-	1	33N-55E-1	NW SE	1475 FSL,	2250 FEL	SI	OIL	3/31/2015

33N-55E-12 SE NW

33N-57E-28 SW NW SE

SE NW

SE NW

33N-55E-12

33N-57E-28

OIL

OIL

OIL

OIL

10/31/1995

10/31/2008

5/31/2019

10/31/2015

SI

SI

SI

2150 FNL, 1450 FWL

1950 FNL, 1650 FWL

1350 FSL, 2650 FWL

1860 FNL, 1980 FWL

<sup>1</sup> Operator(s) Included in Report

#### SUMMARY PAGE

#### Yellowstone Petroleums, Inc- Carbon, Pondera, Teton, Toole, Liberty, Glacier Counties, Montana

- 2/27/2023 Letter sent to operator for 27 Shut In Wells.
- Communication through 2023 and 2024.
- Compliance on reporting has been an issue through 1/31/2024.
  - Operator is closing approaching reporting compliance issues again per board production and injection reporting policy.
- Order 110-2023 issued.
  - O IT IS THEREFORE ORDERED by the Board that Yellowstone Petroleums, Inc must provide staff a detailed well plan with a timeline and benchmarks for reactivating, transferring, or plugging its inactive wells and file any necessary amended production reports prior to March 7, 2024, hearing deadline, or is subject to a \$200 fine for each day after the deadline that the well plan and timeline and amended reports have not been received. The fine will remain in effect until the April 11, 2024, public hearing or until the detailed well plan and any necessary amended reports are submitted.
- Operator has not painted a clear picture of plans for the wells in the future.
- 4/11/2024 Order 48-2024 Issued by the Board:
  - 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.
- 2/16/2023 Shut-In Well Report vs 10/7/2024 Shut-In Well Report:
  - 2/16/2023 → 27 of 38 Wells Shut-In
  - o 10/7/2024→ 32 of 38 Wells Shut-In
    - Field Inspector Observations from Shelby Field Office 9/17/2024
      - 3-4 Wells on State Lease in Brady Field Pumping
      - State 14-16 SWD Actively Injecting
      - 2 Wells on George Lease in Kevin-Sunburst Field Pumping
    - Current Production/Injection Reporting Through July 2024 do not reflect production.
       Waiting on Reporting to come current may change Shut-In well report from 10/7/2024.

# Shut-In Wells by Operator

								3.51.10
8620	Α				Well	s SI	%	
Yellov	vstone Petrol	eums, Inc.		/ V	Vell 38	27	71%	
U1	UIC Limite	ed Bond	\$13,000	\$6,500.	00 2	1	50%	
B1	Blanket Be	ond	\$25,000	\$694.		26	72%	
	SI Two to Fi	ve Years SI Five	to Ten Years S	I Greater than	Ten Years	Total		
	2		12	13		27		
8620/B1	Blanke	et Bond					La	ast Non-Zero
8620 B1	073-21535	BANKA 6-7	27N-2W-7	SW SE NW	2310 FNL, 157	FWL SI	OIL	10/31/2017
8620 B1	073-21552	BANKA 11-7		SW NE SW	1650 FSL, 1650		OIL	10/31/2017
8620 B1	073-21621	State 5-16		6 NE SW NW	1650 FNL, 990		OIL	2/28/2007
8620 B1	073-21624	State 11C-16	27N-2W-1	6 SW NE SW	1725 FSL, 1650		OIL	9/30/2006
8620 B1	073-21520	DENZER 7-21	27N-2W-2	1 SW SW NE	2310 FNL, 2310		OIL	3/31/2007
8620 B1	073-21521	DENZER 8-21	27N-2W-2	1 NW SE NE	1650 FNL, 990	FEL SI	OIL	12/31/2006
8620 B1	073-21522	Denzer 2-21	27N-2W-2	1 SW NW NE	990 FNL, 2310		OIL	1/31/2020
8620 B1	073-21544	OIEN 6-21-27-2W	27N-2W-2	1 NW SE NW	1650 FNL, 1650		OIL	
8620 B1	073-21622	Denzer 3-21	27N-2W-2	1 NE NE NW	330 FNL, 2310		OIL	9/30/2006
8620 B1	101-05407	George 2X	34N-2W-8	SW SW SE	243 FSL, 2420	FEL SI	OIL	1/31/2015
8620 B1	101-05384	George 4-X	34N-2W-8	E2 SW SE	650 FSL, 1540	FEL SI	OIL	3/31/2015
8620 B1	101-05390	George 1	34N-2W-8	SE SW SE	330 FSL, 1650 I	FEL SI	OIL	9/30/2006
8620 B1	101-22297	George 10-8	34N-2W-8	SE NW SE	1540 FSL, 1540	FEL SI	OIL	3/31/2015
8620 B1	101-60265	George 3	34N-2W-8	W2 SW SE	660 FSL, 2420 I	FEL SI	OIL	3/31/2015
8620 B1	101-05710	Blumberg 4	35N-3W-3	2 SENENE	1100 FNL, 220	FEL SI	OIL	6/30/1998
8620 B1	101-05715	Blumberg 5	35N-3W-3	2 W2 NW NE	660 FNL, 2420	FEL SI	OIL	9/30/2006
8620 B1	101-05728	Blumberg 3	35N-3W-3	2 NE NW NE	330 FNL, 1650 I		OIL	2/29/2016
8620 B1	101-05734	Blumberg 2	35N-3W-3	2 NW NW NE	220 FNL, 2420 I	FEL SI	OIL	2/29/2016
8620 B1	101-21922	Blumberg Cox 1	35N-3W-3	2 NESENE	1540 FNL, 220 I	FEL SI	OIL	7/31/2016
8620 B1	101-22298	Blumberg 8-32	35N-3W-3	2 NW SE NE	1650 FNL, 1100	FEL SI	OIL	7/31/2016
8620 B1	101-05712	Thumm 1	35N-3W-3	3 SW NW NW	1100 FNL, 220 I	WL SI	OIL	5/31/2007
8620 B1	101-05732	Thumm 2	35N-3W-3	3 NW NW NW	220 FNL, 220 F	WL SI	OIL	8/31/2016
8620 B1	101-05709	Thumm 3	35N-3W-3	3 NW NW	1100 FNL, 660 I	WL SI	OIL	9/30/2014
8620 B1	035-07184	Essex-Thompson 1	37N-5W-1	1 SE SW	330 FSL, 2310 F	FWL SI	OIL	10/31/1986
8620 B1	101-21802	MYHRE 3-25	32N-3E-25	S2 NE NW	990 FNL, 1980 I	WL SI	GAS	12/31/1988
8620 B1	009-21189	Pierce Harding 10-13R	4S-24E-13	NW SE	1570 FSL, 1990		GAS	
8620/U1	UIC Lin	nited Bond					La	st Non-Zero
8620 U1	073-21469	State 14-16	27N-2W-10	5 SE SW	660 FSL, 2310 F	WL IA	SWD	3/31/2020

1 Operator(s) Included in Report

# Shut-In Wells by Operator

8620	Α			Wells	SI	%
Yellov	vstone Petroleums, Inc.		/ Well	38	32	84%
U1	UIC Limited Bond	\$13,000	\$6,500.00	2	1	50%
B1	Blanket Bond	\$25,000	\$694.44	36	31	86%
	SI Two to Five Years	SI Five to Ten Years	SI Greater than Ten Year	'S	Total	
	8	11	13		32	
20/R1	Blanket Bond					

L						_	
8620/B1	Blanke	t Bond					Last Non-Zero
8620 B1	073-21535	BANKA 6-7	27N-2W-7 SW SE NW	2310 FNL, 1575 FWL	SI	OIL	10/31/2017
8620 B1	073-21552	BANKA 11-7	27N-2W-7 SW NE SW	1650 FSL, 1650 FWL	SI	OIL	10/31/2017
8620 B1	073-21624	State 11C-16	27N-2W-16 SW NE SW	1725 FSL, 1650 FWL	TA	OIL	9/30/2006
8620 B1	073-21413	STATE 3-16-27-2	27N-2W-16 SW NE NW	990 FNL, 1650 FWL	SI	OIL	5/31/2022
8620 B1	073-21508	STATE 2-16	27N-2W-16 SW NW NE	990 FNL, 2310 FEL	SI	OIL	5/31/2022
8620 B1	073-21517	STATE 11-16	27N-2W-16 SW NE SW	1650 FSL, 1650 FWL	SI	OIL	5/31/2022
8620 B1	073-21540	STATE 13-16	27N-2W-16 C SW SW	660 FSL, 660 FWL	SI	OIL	4/30/2022
8620 B1	073-21551	STATE 6D-16	27N-2W-16 SE SE NW	2310 FNL, 2160 FWL	SI	OIL	5/31/2022
8620 B1	073-21621	State 5-16	27N-2W-16 NE SW NW	1650 FNL, 990 FWL	TA	OIL	2/28/2007
8620 B1	073-21623	State 2C-16	27N-2W-16 SW NW NE	915 FNL, 2310 FEL	SI	OIL	5/31/2022
8620 B1	073-21544	OIEN 6-21-27-2W	27N-2W-21 NW SE NW	1650 FNL, 1650 FWL	SI	OIL	
8620 B1	073-21520	DENZER 7-21	27N-2W-21 SW SW NE	2310 FNL, 2310 FEL	SI	OIL	3/31/2007
8620 B1	073-21521	DENZER 8-21	27N-2W-21 NW SE NE	1650 FNL, 990 FEL	SI	OIL	12/31/2006
8620 B1	073-21522	Denzer 2-21	27N-2W-21 SW NW NE	990 FNL, 2310 FEL	SI	OIL	1/31/2020
8620 B1	073-21622	Denzer 3-21	27N-2W-21 NE NE NW	330 FNL, 2310 FWL	TA	OIL	9/30/2006
8620 B1	101-60265	George 3	34N-2W-8 W2 SW SE	660 FSL, 2420 FEL	SI	OIL	3/31/2015
8620 B1	101-05407	George 2X	34N-2W-8 SW SW SE	243 FSL, 2420 FEL	SI	OIL	1/31/2015
8620 B1	101-05390	George 1	34N-2W-8 SE SW SE	330 FSL, 1650 FEL	SI	OIL	9/30/2006
8620 B1	101-05384	George 4-X	34N-2W-8 E2 SW SE	650 FSL, 1540 FEL	SI	OIL	3/31/2015
8620 B1	101-22298	Blumberg 8-32	35N-3W-32 NW SE NE	1650 FNL, 1100 FEL	SI	OIL	7/31/2016
8620 B1	101-21922	Blumberg Cox 1	35N-3W-32 NE SE NE	1540 FNL, 220 FEL	SI	OIL	7/31/2016
8620 B1	101-05734	Blumberg 2	35N-3W-32 NW NW NE	220 FNL, 2420 FEL	SI	OIL	2/29/2016
8620 B1	101-05710	Blumberg 4	35N-3W-32 SE NE NE	1100 FNL, 220 FEL	SI	OIL	6/30/1998
8620 B1	101-05728	Blumberg 3	35N-3W-32 NE NW NE	330 FNL, 1650 FEL	SI	OIL	2/29/2016
8620 B1	101-05715	Blumberg 5	35N-3W-32 W2 NW NE	660 FNL, 2420 FEL	SI	OIL	9/30/2006
8620 B1	101-05712	Thumm 1	35N-3W-33 SW NW NW	1100 FNL, 220 FWL	SI	OIL	5/31/2007
8620 B1	101-05709	Thumm 3	35N-3W-33 NW NW	1100 FNL, 660 FWL	SI	OIL.	9/30/2014
8620 B1	101-05732	Thumm 2	35N-3W-33 NW NW NW	220 FNL, 220 FWL	SI	OIL	8/31/2016
8620 B1	035-07184	Essex-Thompson 1	37N-5W-11 SE SW	330 FSL, 2310 FWL	Sł	OIL	10/31/1986
8620 B1	101-21802	MYHRE 3-25	32N-3E-25 S2 NE NW	990 FNL, 1980 FWL	SI	GAS	12/31/1988
8620 B1	009-21189	Pierce Harding 10-13R	4S-24E-13 NW SE	1570 FSL, 1990 FEL	AU	GAS	
8620/U1	UIC Lin	nited Bond					Last Non-Zero
8620 U1	073-21469	State 14-16	27N-2W-16 SE SW	660 FSL, 2310 FWL	IA	SWD	3/31/2020

<sup>1</sup> Operator(s) Included in Report

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

IN THE MATTER OF YELLOWSTONE PETROLEUMS, INC. INACTIVE WELLS IN CARBON, GLACIER, PONDERA, AND TOOLE COUNTIES, MONTANA.

ADMINISTRATIVE ORDER 12-A-2024

Yellowstone Petroleums, Inc. (Yellowstone) is the bonded operator of 36 producing wells and two injection wells in Carbon, Glacier, Pondera, and Toole Counties, Montana. Of the 36 producing wells, 31 wells have been inactive for two or more years.

At the April 11, 2024, public hearing, Yellowstone testified that it would plug and abandon the Essex-Thompson 1 well, API # 25-035-07184, and the Myhre 3-25 well, API # 25-101-21802, before the end of the year. Yellowstone and the Board also agreed upon a plugging and abandonment schedule for its remaining inactive wells should the wells not be reactivated or transferred.

As of October 9, 2024, business meeting, Yellowstone has not transferred, reactivated, plugged, or filed any intents to abandon any of its inactive wells.

IT IS THEREFORE ORDERED by the Board that Yellowstone must plug and abandon the Essex-Thompson 1 and Myhre 3-25 wells by the January 16, 2025, hearing application deadline or Yellowstone must appear at the February 20, 2025, public hearing and show-cause, if any it has, why additional penalties should not be assessed for failure comply with Board Order 48-2024.

Dated this 9th day of October, 2024
Montana Board of Oil and Gas Conservation
Benjamin Jones, Administrator

#### MONTANA BOARD OF OIL AND GAS CONSERVATION FINANCIAL STATEMENT As of 10/1/24

Fiscal Year 2025: Percent of Year Elapsed - 25%

		Budget	Expends	%	Remaining
Regulatory	Personal Services	1,376,382	222,350	16	1,154,032
UIC	Personal Services	349,503	70,655	20	278,848
	Total	1,725,885	293,005	17	1,432,880
Regulatory	Equipment & Assets	73,800	a l	-1	73,800
UIC	Equipment & Assets	16,200		-	16,200
	Total	90,000	-	-	90,000
Regulatory	Operating Expenses:				
	Contracted Services	172,366	17,919	10	154,447
	Supplies & Materials	57,042	16,644	29	40,398
	Communication	50,495	11,061	22	39,434
	Travel	20,752	2,574	12	18,178
	Rent	1,354	204	15	1,150
	Utilities	23,778	3,986	17	19,792
	Repair/Maintenance	61,081	7,584	12	53,497
	Other Expenses	36,118	685	2	35,433
	Total Operating Expenses	422,986	60,657	14	362,329
UIC	Operating Expenses:				
	Contracted Services	37,481	3,933	10	33,548
	Supplies & Materials	12,521	3,654	29	8,867
	Communication	11,084	2,334	21	8,750
	Travel	4,555	4,342	95	213
	Rent	297	45	15	252
	Utilities	5,219	650	12	4,569
	Repair/Maintenance	13,408	1,665	12	11,743
	Other Expenses	7,929	1,250	16	6,679
	Total Operating Expenses	92,494	17,873	19	74,621
	Total	515,480	78,530	15	436,950
Regulatory	Debt Services	15,163	5,054	33	10,109
UIC	Debt Services	3,328	1,109	33	2,219
0.0	Total	· · · · · · · · · · · · · · · · · · ·			
	ıotai	18,491	6,164	33	12,327

Funding Breakout	2024 Total Budget	2024 Total Expends	%
State Special	2,349,856	377,698	16
Federal 2024 UIC (10-1-2023 to 9-30-2024)	133,000	99,750	75
Total	2,482,856	477,449	19

	Budget	Expends	%	Remaining
Carryforward FY23				
Personal Services	45,269	7.	0	45,269
Operating Expenses	45,269		0	45,269
Equipment & Assests	45,269		0	45,269
Total	135,807	-	0	135,807

REVENUE INTO STATE SPECI	AL	REVENUE A	CC	OUNT
		FY 25		FY 24
Oil & Gas Production Tax	\$	÷	\$	2,247,416
Oil Production Tax		S <del></del> )		2,141,738
Gas Production Tax		1000		105,678
Drilling Permit Fees		4,775		16,250
UIC Permit Fees		~		235,800
Interest on Investments		79,554		354,719
Copies of Documents		31		323
Miscellaneous Reimbursements	_		_	48,483
TOTAL	\$	84,360	\$	2,902,992
Account Balance	\$	9,011,618		

.

REVENUE INTO DAMAGE MI	TIGAT	TION ACCO	UNT	
		FY 25		FY 24
RIT Investment Earnings:		-		400,935
July		-		#
August		396		39,095
September		82		26,736
October		(#		33,325
November		J.E.		33,864
December		-		28,116
January		0 <b>≔</b> 0		40,140
February		200		34,541
March		=		35,353
April		-		28,579
May		=		37,618
June		0,50		63,569
Bond Forfeitures:		. ¥:		20,019
Interest on Investments	-	9,760		30,448
TOTAL	\$	9,760	\$	451,402
Account Balance	\$	953,958		

REVENUE INTO GENERAL FUND FR	OM FINES		
		F	Y 25
GRASSY BUTTE LLC	8/2/2024		120
NOAH ENERGY INC	8/9/2024		650
JUSTICE SWD LLC	8/16/2024		120
COOL SPRING COLONY INC	8/23/2024		130
BLACK GOLD ENERGY	9/13/2024		70
BLACK GOLD ENERGY	9/13/2024		70
UNITED STATES ENERGY CORP	9/13/2024		60
CONTANGO RESOURCES	9/17/2024		4,000
RIMROCK COLONY	9/17/2024		130
JUSTICE SWD LLC	9/27/2024		1,000
TOTAL		\$	6,350

FEDERAL ORPHAN WELL PLUGGING CONTRACTS						
<u>Name</u>	Aut	horized Amt	Expended	Balance	<u>Status</u>	Expiration Date
PLENTYWOOD PLUG AND RECLAIM WELLS	\$	3,547,496	\$ 3,317,379	\$ 230,118	<b>Under Contract</b>	9/30/2025
PLENTYWOOD WEST PLUG AND RECLAIM WELLS		1,602,967	(#):	1,602,967	<b>Under Contract</b>	9/30/2025
ROUNDUP A PLUG AND RECLAIM WELL		3,579,402	3,390,240	189,162	<b>Under Contract</b>	9/30/2025
ROUNDUP B PLUG AND RECLAIM WELL		157,992	-	157,992	<b>Under Contract</b>	9/30/2025
ROUNDUP C PLUG AND RECLAIM WELLS		289,530	2	289,530	<b>Under Contract</b>	9/30/2025
SHELBY 2 PLUG AND RECLAIM WELLS		610,693	328,762	281,931	Under Contract	9/30/2025
SHELBY 3 PLUG AND RECLAIM WELLS		363,788	<b>*</b>	363,788	<b>Under Contract</b>	9/30/2025
SHELBY 4 PLUG AND RECLAIM WELLS		250,800		250,800	<b>Under Contract</b>	9/30/2025
SHELBY H2S PLUG AND RECLAIM WELLS		218,430	-	218,430	<b>Under Contract</b>	9/30/2025
SIDNEY PLUG AND RECLAIM WELLS		1,804,940	1,804,940	( <del>=</del> )	Completed	9/30/2025
GLENDIVE DISTRICT PLUG AND RECLAIM WELLS		791,250	791,250	?₩(	Completed	9/30/2025
SHELBY 1 PLUG AND RECLAIM WELLS		676,361	607,140	69,221	Completed	9/30/2025
CBM PLUG AND RECLAIM WELLS		281,300	230,700	50,600	Completed	9/30/2025
MURRAY 1 PLUG AND RECLAIM WELL		266,620	222,183	44,437	Completed	9/30/2025
TURNER 13-22 AND TORDALE 42-21 PLUG AND RECLAIM WELLS		133,503	111,253	22,251	Completed	9/30/2025
HANNAH 5 PLUG AND RECLAIM WELL		47,113	47,113	=	Completed	9/30/2025
STATE 8-8 PLUG AND RECLAIM WELL		44,965	44,965	S <b>=</b> 5	Completed	9/30/2025
TOI AG STATION RECLAMATION		26,232	26,232		Completed	9/30/2023
TOTAL	\$	14,693,381	\$ 10,922,156	\$ 3,771,225		

. 4

Authorized Amt 70,000	\$	Expended 2,583	\$ <u>E</u>	<u>Balance</u> 67,418	<u>Status</u> Under Contract	Expiration Date 6/30/2025
•		•	\$	67,418	<b>Under Contract</b>	6/30/2025
24 440						
21,110	)	10,500		10,610	Under Contract	9/30/2025
48,000	)	30,295		17,705	<b>Under Contract</b>	9/30/2025
110,946	<u> </u>	97,078	_	13,868	Under Contract	5/31/2025
250,056	\$	140,456	\$	109,600		
;	48,000 110,946	48,000 110,946 <b>250,056</b> \$	48,000 30,295 110,946 97,078	48,000 30,295 110,946 97,078	48,000 30,295 17,705 110,946 97,078 13,868	48,000 30,295 17,705 Under Contract 110,946 97,078 13,868 Under Contract

Agency Legal Services Expenditure Breakout						
Case		Amt Spent				
BOGC Duties	\$	2,583				
Total	\$	2,583				

8/14/2024 Through 10/8/2024

## **Approved**

Big Rose Colony, Inc.		886 G2	Approved	9/26/2024
Shelby MT			Amount:	\$1,500.00
			Purpose:	Single Well Bond
Certificate of Deposit	\$1,500.00	FIRST STATE BANK OF SHELBY		ACT
Big Rose Colony, Inc.		886 G3	Approved	9/26/2024
Shelby MT			Amount:	\$1,500.00
			Purpose:	Single Well Bond
Certificate of Deposit	\$1,500.00	FIRST STATE BANK OF SHELBY		ACT
Blacksmith Oil Tools USA Inc.		942 G1	Approved	9/27/2024
Havre MT			Amount:	\$1,500.00
			Purpose:	Single Well Bond
Certificate of Deposit	\$1,500.00	Stockman Bank of Montana		ACT
Dankbar, LLC		948 L1	Approved	9/30/2024
Kevin MT			Amount:	\$22,500.00
			Purpose:	Limited Bond
Certificate of Deposit	\$22,500.00	Independence Bank		ACT
Hereford Resources, LLC		941 G3	Approved	10/2/2024
Chester MT			Amount:	\$10,000.00
			Purpose:	Single Well Bond
Certificate of Deposit	\$10,000.00	GLACIER BANK FSB		ACT
Hereford Resources, LLC		941 G2	Approved	10/2/2024
Chester MT			Amount:	\$10,000.00
			Purpose:	Single Well Bond
Certificate of Deposit	\$10,000.00	GLACIER BANK FSB		ACT
Hydra MT LLC		824 T12	Approved	10/8/2024
Houston TX			Amount:	\$10,000.00
			Purpose:	UIC Single Well Bond
Surety Bond	\$10,000.00	U.S. Specialty Insurance Co.		ACT
Keesun Corporation		2545 G10	Approved	9/26/2024
Cut Bank MT			Amount:	\$1,500.00
			Purpose:	Single Well Bond
Certificate of Deposit	\$1,500.00	Stockman Bank of Montana	·	ACT
Keesun Corporation		2545 G11	Approved	9/26/2024
Cut Bank MT			Amount:	\$1,500.00
			Purpose:	Single Well Bond
Certificate of Deposit	\$1,500.00	Stockman Bank of Montana		ACT
MorningStar Operating LLC		943 L1	Approved	8/27/2024
Fort Worth TX		- vi	Amount:	\$100,000.00
		**	Purpose:	Multiple Well Bond
Surety Bond	\$100,000.00	U.S. Specialty Insurance Co.		ACT

8/14/2024 Through 10/8/2024

#### **Approved**

MorningStar Operating LLC Fort Worth TX		943 L2	Approved Amount:	8/27/2024 \$50,000.00 Limited Bond
Surety Bond	\$50,000.00	U.S. Specialty Insurance Co.	Purpose:	ACT
MorningStar Operating LLC		943 T2	Approved	8/27/2024
Fort Worth TX		5-10 TZ	Amount:	\$10,000.00
TOTE VOICE TX			Purpose:	UIC Single Well Bond
Surety Bond	\$10,000.00	U.S. Specialty Insurance Co.		ACT
MorningStar Operating LLC		943 M1	Approved	8/27/2024
Fort Worth TX			Amount:	\$50,000.00
			Purpose:	Multiple Well Bond
Surety Bond	\$50,000.00	U.S. Specialty Insurance Co.		ACT
MorningStar Operating LLC		943 T1	Approved	8/27/2024
Fort Worth TX			Amount:	\$10,000.00
			Purpose:	UIC Single Well Bond
Surety Bond	\$10,000.00	U.S. Specialty Insurance Co.		ACT
Retamco Operating, Inc.		944 G6	Approved	8/29/2024
Red Lodge MT			Amount:	\$5,000.00
			Purpose:	Single Well Bond
Letter of Credit	\$5,000.00	FIRST INTERSTATE BANK		ACT
Retamco Operating, Inc.		944 G3	Approved	8/29/2024
Red Lodge MT			Amount:	\$10,000.00
			Purpose:	Single Well Bond
Letter of Credit	\$10,000.00	FIRST INTERSTATE BANK		ACT
Retamco Operating, Inc.		944 G2	Approved	8/29/2024
Red Lodge MT			Amount:	\$10,000.00
			Purpose:	Single Well Bond
Letter of Credit	\$10,000.00	FIRST INTERSTATE BANK		ACT
Retamco Operating, Inc.		944 G5	Approved	8/29/2024
Red Lodge MT			Amount:	\$5,000.00
			Purpose:	Single Well Bond
Letter of Credit	\$5,000.00	FIRST INTERSTATE BANK		ACT
Retamco Operating, Inc.		944 G7	Approved	8/29/2024
Red Lodge MT			Amount:	\$5,000.00
			Purpose:	Single Well Bond
Letter of Credit	\$5,000.00	FIRST INTERSTATE BANK		ACT
Retamco Operating, Inc.		944 G1	Approved	8/29/2024
Red Lodge MT			Amount:	\$10,000.00
			Purpose:	Single Well Bond
Letter of Credit	\$10,000.00	FIRST INTERSTATE BANK		ACT

8/14/2024 Through 10/8/2024

A	p	D	ro	V	е	d

Retamco Operating, Inc.		944 G4	Approved	8/29/202
Red Lodge MT			Amount:	\$5,000.00
			Purpose:	Single Well Bon
Letter of Credit	\$5,000.00	FIRST INTERSTATE BANK		ACT
anceled				
Avery Bakken Disposals, LLC		694 T1	Canceled	9/10/202
Fairview MT			Amount:	\$10,000.00
			Purpose:	UIC Single Well Bon
Beartooth Energy, LLC		657 G2	Canceled	9/19/202
Tallahassee FL			Amount:	\$5,000.00
			Purpose:	Single Well Bon
Beartooth Energy, LLC		657 G3	Canceled	9/19/202
Tallahassee FL			Amount:	\$10,000.00
			Purpose:	Single Well Bon
Big Gully Oil, LLC		793 G2	Canceled	9/3/202
Roundup MT			Amount:	\$10,000.00
			Purpose:	Single Well Bon
Big Gully Oil, LLC		793 G3	Canceled	9/3/202
Roundup MT			Amount:	\$10,000.00
			Purpose:	Single Well Bon
Big Gully Oil, LLC		793 G1	Canceled	9/3/202
Roundup MT			Amount:	\$10,000.00
			Purpose:	Single Well Bon
Big Gully Oil, LLC		793 G5	Canceled	9/3/202
Roundup MT			Amount:	\$5,000.00
			Purpose:	Single Well Bon
Big Gully Oil, LLC		793 G6	Canceled	9/3/202
Roundup MT			Amount:	\$5,000.00
			Purpose:	Single Well Bon
Big Gully Oil, LLC		793 G4	Canceled	9/3/202
Roundup MT			Amount:	\$5,000.00
			Purpose:	Single Well Bon
EMEP Operating, LLC		902 M1	Canceled	9/10/202
Houston TX			Amount:	\$100,000.00
			Purpose:	Multiple Well Bon
EMEP Operating, LLC		902 T2	Canceled	9/10/202
Houston TX			Amount:	\$10,000.00
			Purpose:	UIC Single Well Bon
EMEP Operating, LLC		902 T1	Canceled	9/10/202
Houston TX			Amount:	\$10,000.00
			Purpose:	UIC Single Well Bon

8/14/2024 Through 10/8/2024

#### Canceled

EMEP Operating, LLC		902 M2	Canceled	9/10/202
Houston TX			Amount:	\$50,000.00
			Purpose:	Multiple Well Bon
EMEP Operating, LLC		902 M3	Canceled	9/10/202
Houston TX			Amount:	\$50,000.00
			Purpose:	Multiple Well Bon
Endeavor Energy Resources, LP		311 L1	Canceled	9/5/202
Midland TX			Amount:	\$25,000.00
			Purpose:	Limited Bon
HC Resources, LLC		929 G1	Canceled	10/8/202
Billings MT			Amount:	\$5,000.00
			Purpose:	Single Well Bond
Legacy Reserves Operating LP		713 V1	Canceled	9/30/202
Midland TX			Amount:	\$50,000.00
			Purpose:	UIC Blanket Bond
Lyon, John J.		4430 B1	Canceled	8/23/202
Bozeman MT			Amount:	\$10,000.00
			Purpose:	Blanket Bon
Petro-Sentinel LLC		789 G2	Canceled	9/30/202
Littleton CO			Amount:	\$10,000.00
			Purpose:	Single Well Bon
Stephens Production Company, LLC		395 M1	Canceled	10/8/202
Denver CO			Amount:	\$50,000.00
			Purpose:	Multiple Well Bon
rfeiture Ordered				
Bootstrap Oil LLC		906 G2	Forfeiture Ordered	8/15/202
Magnolia AR			Amount:	\$10,000.00
			Purpose:	Single Well Bon
Surety Bond	\$10,000.00	Indemnity National Insurance Company		ACT
Bootstrap Oil LLC		906 T1	Forfeiture Ordered	8/15/202
Magnolia AR			Amount:	\$10,000.00
-			-	JIC Single Well Bon
Surety Bond	\$10,000.00	Indemnity National Insurance Company	•	ACT
Bootstrap Oil LLC		906 G1	Forfeiture Ordered	8/15/202
Magnolia AR			Amount:	\$10,000.00
•			Purpose:	Single Well Bon
Surety Bond	\$10,000.00	Indemnity National Insurance Company		ACT
•		The state of the s		

8/14/2024 Through 10/8/2024

#### Other

United States Energy Corp. Longview TX

8025 B1

Other

9/17/2024

Amount:

\$10,000.00

Purpose:

Suspended Bond

cident Report	EXHIBIT 8
---------------	-----------

Company	Responsibility Date Incident	Oil Released	Water Released Source	Containe	ed Latitude	Longitude County	T-R-S
Chaco Energy Company	BOG 8/15/2024 Spill or Release	5 Barrels	30 Barrels Tank or Tank Battery	y Yes	47.92758	-104.10393 Richland	25N-59E-9 SWSE
Continental Resources Inc	BOG 9/16/2024 Fire		Flare Pit	No	47.98290	-104.74210 Richland	26N-54E-28 NENE
Continental Resources Inc	BOG 9/17/2024 Fire		Flare Pit	No	48.02573	-104.86334 Richland	26N-53E-10 NENW
CWT Operating, LLC	BOG 9/18/2024 Spill or Release		10 Barrels Flow Line - Production	on Yes	48.19915	-105.11209 Roosevelt	28N-51E-10 NENE
Denbury Onshore, LLC	BOG 9/21/2024 Spill or Release	11 Gallons	32 Gallons Flow Line - Production	on <b>N</b> o	46.31845	-104.09711 Fallon	7N-61E-32 SENE
Denbury Onshore, LLC	BOG 9/27/2024 Spill or Release		5 Barrels Flow Line - Injection	No	45.08220	-105.10219 Powder River	9S-54E-4 NESE
CWT Operating, LLC	BOG 10/8/2024 Spill or Release		35 Barrels Pump Failure	No	48.19915	-105.11209 Roosevelt	28N-51E-10 NENE

## **Docket Summary**

### 10/10/2024 Hearing

125-2024	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 24N-59E- 2: all, 11: all, 14: all, 23: all (Marvin 2-11-14-23 #1H, Marvin 2-11-14-23 #2H, Marvin 2-11-14-23 #3H, and Marvin 2-11-14-23 #4H).	TSU, order 31-2023, Well density, order 32-2023 Related applications: 125-2024, 126-2024	
126-2024	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 24N-59E- 2: all, 11: all, 14: all, 23: all (Marvin 2-11-14-23 #1H, Marvin 2-11-14-23 #2H, Marvin 2-11-14-23 #3H, and Marvin 2-11-14-23 #4H). Non-consent penalties requested.	Related applications: 125-2024, 126-2024	
127-2024	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 26N-58E-31: all and 25N-58E-6: all, 7: all (Piano Man 7-6-31 #1H, Piano Man 7-6-31 #2H, Piano Man 7-6-31 #3H, Piano Man 7-6-31 #4H).	TSU, order 49-2023, Well density, order 50-2023 Related applications: 127-2024, 128-2024	
128-2024	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 26N-58E- 31: all and 25N-58E- 6: all, 7: all (Piano Man 7-6-31 #1H, Piano Man 7-6-31 #2H, Piano Man 7-6-31 #3H, Piano Man 7-6-31 #4H). Non-consent penalties requested.	Related applications: 127-2024, 128-2024	
129-2024	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 28N-58E-25: all, 36: all (Virginia 25-36 #1H, Virginia 25-36 #2H, Virginia 25-36 #3H, Virginia 25-36 #4H).	TSU, order 75-2023, Well density, order 76-2023 Related applications: 129-2024, 130-2024	
130-2024	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 28N-58E- 25: all, 36: all (Virginia 25-36 #1H, Virginia 25-36 #2H, Virginia 25-36 #3H, Virginia 25-36 #4H). Non-consent penalties requested.	Related applications: 129-2024, 130-2024	
131-2024	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 28N-58E-25: all, 36: all and 28N-59E-30: all, 31: all (Virginia 25-36 #11H).	TSU, order 77-2023 Related applications: 131-2024, 132-2024	
132-2024	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 28N-58E-25: all, 36: all and 28N-59E-30: all, 31: all (Virginia 25-36 #11H). Non-consent penalties requested.	Related applications: 131-2024, 132-2024	
133-2024	Kraken Oil & Gas LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 27N-57E-8: all, 17: all, 20: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Vacate Order 42-2017 (authorize the drilling of a horizontal well, TSU, Bkn/TF Formation, 27N-57E-17: all, 20: all).	Related applications: 133-2024, 134-2024	
134-2024	Kraken Oil & Gas LLC	Authorize the drilling of three additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 27N-57E-8: all, 17: all, 20: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 133-2024, 134-2024	

135-2024	Kraken Oil & Gas LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-57E-29: all, 32: all and 27N-57E-5: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Amend Order 43-2012 to clarify that said order is limited to the Hawkins 29-32 #1H well. The overlapping temporary spacing unit shall be limited to the production from the proposed horizontal well.	Related applications: 135-2024, 136-2024	
136-2024	Kraken Oil & Gas LLC	Authorize the drilling of two additional horizontal wells, overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-57E-29: all, 32: all and 27N-57E-5: all, 200' heel/toe setbacks and 500' lateral setbacks. The overlapping temporary spacing unit shall be limited to the production from the proposed horizontal wells.	Related applications: 135-2024, 136-2024	
137-2024	Kraken Oil & Gas LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-28: all, 33: all and 23N-59E-4: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order.	Related applications: 137-2024, 138-2024	
138-2024	Kraken Oil & Gas LLC	Authorize the drilling of three additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-28: all, 33: all and 23N-59E-4: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 137-2024, 138-2024	
139-2024	Kraken Oil & Gas LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-26: all, 35: all and 23N-59E-2: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order.	Related applications: 139-2024, 140-2024	
140-2024	Kraken Oil & Gas LLC	Authorize the drilling of three additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-26: all, 35: all and 23N-59E-2: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 139-2024, 140-2024	
141-2024	Kraken Oil & Gas LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-30: all, 31: all and 23N-59E-6: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Vacate Order 148-2011 (TSU, Bkn/TF Formation, 23N-59E-6: all, 7: all).	Related applications: 141-2024, 142-2024	
142-2024	Kraken Oil & Gas LLC	Authorize the drilling of three additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-30: all, 31: all and 23N-59E-6: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 141-2024, 142-2024	
143-2024	Kraken Oil & Gas LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-29: all, 32: all and 23N-59E-5: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Vacate Order 320-2011 (TSU, Bkn/TF Formation, 23N-59E-5: all, 8: all).	Related applications: 143-2024, 144-2024	

144-2024	Kraken Oil & Gas LLC	Authorize the drilling of three additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-29: all, 32: all and 23N-59E-5: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 143-2024, 144-2024	
145-2024	Kraken Oil & Gas LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 24N-60E-31: all, 32: all and 23N-60E-5: all, 6: all, 7: all, 8: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Vacate Order 463-2013 (TSU, Bkn/TF Formation, 24N-60E-31: all, 32: all), Order 164-2014 (authorize 4 horizontal Bakken/ Three Forks wells; TSU, 24N-60E, 31: all, 32: all), and Order 20-2011 (TSU, Bkn Formation, 23N-60E-6: all, 7: all).	Related applications: 145-2024, 146-2024	
146-2024	Kraken Oil & Gas LLC	Authorize the drilling of five additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 24N-60E-31: all, 32: all and 23N-60E-5: all, 6: all, 7: all, 8: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 145-2024, 146-2024	
147-2024	Kraken Oil & Gas LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-34: all and 23N-59E-3: all, 10: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Vacate Order 187-2010 (TSU, Bkn Formation, 23N-59E-9: all, 10: all).	Related applications: 147-2024, 148-2024	
148-2024	Kraken Oil & Gas LLC	Authorize the drilling of three additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-34: all and 23N-59E-3: all, 10: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 147-2024, 148-2024	
149-2024	Kraken Oil & Gas LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-36: all and 23N-59E-1: all, 12: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order.	Related applications: 149-2024, 150-2024	
150-2024	Kraken Oil & Gas LLC	Authorize the drilling of three additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 24N-59E-36: all and 23N-59E-1: all, 12: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 149-2024, 150-2024	
151-2024	Kraken Oil & Gas LLC	Designate temporary spacing unit, Bakken/Three Forks Formation, 25N-57E-4: all and 26N-57E-28: all, 33: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Vacate Order 414-2011 (TSU, Bkn/TF Formations, 25N-57E-4: all, 9: all) and Order 303-2012 (TSU, 26N-57E-28: all, 33: all, Bkn/TF Formation).	Related applications: 151-2024, 152-2024	
152-2024	Kraken Oil & Gas LLC	Authorize the drilling of three additional horizontal wells, temporary spacing unit, Bakken/Three Forks Formation, 25N-57E-4: all and 26N-57E-28: all, 33: all, 200' heel/toe setbacks and 500' lateral setbacks.	Related applications: 151-2024, 152-2024	

153-2024	Kraken Oil & Gas LLC	Designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 26N-57E-5: all, 8: all, 17: all, 200' heel/toe setbacks and 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. The overlapping temporary spacing unit shall be limited to the production from the proposed horizontal well. Vacate Order 47-2012 (TSU, Bkn/TF Formations, 26N-57E-5: all, 8: all). Amend Order 143-2013 to clarify that said order is limited to the Breaks 20-17 #1-H well.	Continued	Sections 17 & 20: PSU by order 142-2013, pooled by order 143-2013 Related applications: 153-2024, 154-2024 Don Lee submitted notice of protest, email received 10/3/24. Continued to the December hearing, email received 10/7/24.	
154-2024	Kraken Oil & Gas LLC	Authorize the drilling of two additional horizontal wells, overlapping temporary spacing unit, Bakken/Three Forks Formation, 26N-57E-5: all, 8: all, 17: all, 200' heel/toe setbacks and 500' lateral setbacks. The overlapping temporary spacing unit shall be limited to the production from the proposed horizontal wells.	Continued	Related applications: 153-2024, 154-2024  Continued to the December hearing, email received 10/7/24.	
155-2024	Kraken Oil & Gas LLC	Horizontal tax certification for the Meldahl 14-29H (API # 083-22608).			
156-2024 1-2025 F	Continental Resources Inc	Authorize the drilling of an additional horizontal well, overlapping temporary spacing unit, Bakken/Three Forks Formation, 28N-57E-13: all, 24: all, 25: all, 200' heel/toe setbacks and 500' lateral setbacks.		OTSU, order 18-2024	
157-2024 2-2025 F	Continental Resources Inc	Authorize the drilling of an additional horizontal well, temporary spacing unit, Bakken/Three Forks Formation, 28N-57E-14: all, 23: all, 26: all, 200' heel/toe setbacks and 500' lateral setbacks.		TSU, order 18-2024	
158-2024	MorningStar Operating LLC	Permanent spacing unit, Bakken/Three Forks Formation, 25N-53E-16: all, 17: all, 20: all, 21: all (Ed & Paul 17-20 XE 1H).	Continued	OTSU, order 12-2024 Related applications: 158-2024, 159-2024 Continued to the December hearing, email received 9/24/24.	
159-2024	MorningStar Operating LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 25N-53E- 16: all, 17: all, 20: all, 21: all (Ed & Paul 17-20 XE 1H).	Continued	Related applications: 158-2024, 159-2024 Continued to the December hearing, email received 9/24/24.	
160-2024	MorningStar Operating LLC	Permanent spacing unit, Bakken/Three Forks Formation, 25N-53E- 12: all, 13: all, 25N-54E- 7: all, 18: all (Flik 12-13 XE 1H).	Continued	OTSU, order 13-2024 Related applications: 160-2024, 161-2024 Continued to the December hearing, email received 9/24/24.	
161-2024	MorningStar Operating LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 25N-53E- 12: all, 13: all, 25N-54E- 7: all, 18: all (Flik 12-13 XE 1H). Non-consent penalties requested.	Continued	Related applications: 160-2024, 161-2024 Continued to the December hearing, email received 9/24/24.	
162-2024	HB Oil, LLC	Provide an update of its efforts to reduce its plugging liability and to review its plugging and reclamation bonds to determine if the coverage is adequate under § 82-11-123(5), MCA.		Required by Administrative Order 8-A-2024.	

and T28N-R58E-19: all, 19: all, and 30: all, 200 heel/toe setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.  109-2024 Continued to the October hearing, email 78/24. Continued to the October hearing, email 78/24. Continued to the December hearing, email 78/24. Continued to the December hearing, email 78/24. Continued to the December hearing, email 78/24. The Porks Formation, 28N-57E-13: all, 14: all, 23: all, 24: all, 25: all, 26: all, well at a location proximate to the common boundary between 28N-57E-14; 23, 26 and 28N-57E-13; 24, 25, 20' beel/toe setbacks. Prior to spudding the requested well, applicant will spud a well in each of the TSU. Apply for permanent spacing within 90 days of completion. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well. Operations must commence within one year of date of order.  163-2024 Coalridge Disposal & Petroleum Show Cause: why it should not immediately plug and abandon its wells in Sheridan Country, Montana.  165-2024 D&A Water Disposal LLC Show Cause: failure to file production reports and pay administrative fees.  166-2024 D&A Water Disposal LLC Show Cause: why additional penalties should not be considered for failure to remedy field violations at its BM 12-11 well, API #2-20-20-2010, located in the SW/AWWY of Section 11. T9N-58E. Failon Country, Montana. Board staff has authority to dismiss the docker if D&A Water Disposal LLC achieves compliance prior to the October 10, 2024, public hearing.  167-2024 Justice SWD, LLC Show Cause: why additional penalties should not be assessed for failure to file correct injection reports, failure to pay the penalty assessed for follinguent reporting in accordance with Board policy, and failure to pay the \$1,000 files assessed for not appearing at the August 15, 2024, public hearing.						
Forks Formation, 28N-57E-13, all, 14: all, 25: all, 25: all, 26: all, 40: all, 25: all, 26: all, 40: all, 40: all, 26: all, 40:			Forks Formation, 28N-57E-13: all, 24: all, 25: all, and 28N-58E-18: all, 19: all, 30: all, well at a location not further than 500' from the common boundary between T28N-R57E-13: all, 24: all, and 25: all, and T28N-R58E-18: all, 19: all, and 30: all, 200' heel/toe setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. The overlapping temporary spacing unit shall be limited	Continued	Continued at the hearing to April 2024. Continued to the June hearing, email received 3/6/24. Continued to the August hearing, email received 5/8/24. Continued to the October hearing, email received 7/8/24. Continued to the December hearing, email	
164-2024 Coalridge Disposal & Petroleum Show Cause: why it should not immediately plug and abandon its wells in Sheridan County, Montana.  165-2024 D&A Water Disposal LLC Show Cause: failure to file production reports and pay administrative fees.  166-2024 D&A Water Disposal LLC Show Cause: why additional penalties should not be considered for failure to remedy field violations at its BN 12-11 well, API # 25-025-21021, located in the SW/NW/% of Section 11, T9N-58E, Fallon County, Montana. Board staff has authority to dismiss the docket if D&A Water Disposal LLC achieves compliance prior to the October 10, 2024, public hearing.  167-2024 Justice SWD, LLC Show Cause: why additional penalties should not be assessed for failure to file correct injection reports, failure to pay the penalty assessed for delinquent reporting in accordance with Board policy, and failure to pay the \$1,000 fine assessed for not appearing at the August 15, 2024, public hearing.  168-2024 Powder Battalion Holdings LLC Show Cause: why additional penalties should not be assessed for failure to file delinquent production reports, failure to pay the penalty assessed for delinquent production reports, failure to pay the penalty assessed for delinquent production reports, failure to pay the penalty assessed for delinquent production reports, failure to pay the			Forks Formation, 28N-57E-13: all, 14: all, 23: all, 24: all, 25: all, 26: all, well at a location proximate to the common boundary between 28N-57E-14, 23, 26 and 28N-57E-13, 24, 25, 200' heel/toe setbacks. Prior to spudding the requested well, applicant will spud a well in each of the TSU. Apply for permanent spacing within 90 days of completion. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal		Continued to October hearing, email received 8/5/24.	
wells in Sheridan County, Montana.  165-2024 D&A Water Disposal LLC Show Cause: failure to file production reports and pay administrative fees.  166-2024 D&A Water Disposal LLC Show Cause: why additional penalties should not be considered for failure to remedy field violations at its BN 12-11 well, API # 25-025-21021, located in the SW½NW½ of Section 11, T9N-58E, Fallon County, Montana. Board staff has authority to dismiss the docket if D&A Water Disposal LLC achieves compliance prior to the October 10, 2024, public hearing.  167-2024 Justice SWD, LLC Show Cause: why additional penalties should not be assessed for failure to file correct injection reports, failure to pay the penalty assessed for delinquent reporting in accordance with Board policy, and failure to pay the \$1,000 fine assessed for not appearing at the August 15, 2024, public hearing.  168-2024 Powder Battalion Holdings LLC Show Cause: why additional penalties should not be assessed for failure to file delinquent reporting, and failure to pay the penalty assessed for delinquent reports, failure to pay the penalty assessed for delinquent reporting, and failure to pay the penalty assessed for delinquent reporting, and failure to pay the	163-2024	Coalridge Disposal & Petroleum				
administrative fees.  The delinquent reports/fee was received administratively dismissed in accordance policy.  Show Cause: why additional penalties should not be considered for failure to remedy field violations at its BN 12-11 well, API # 25-025-21021, located in the SW/sNW/s of Section 11, T9N-58E, Fallon County, Montana. Board staff has authority to dismiss the docket if D&A Water Disposal LLC achieves compliance prior to the October 10, 2024, public hearing.  Show Cause: why additional penalties should not be assessed for failure to file correct injection reports, failure to pay the penalty assessed for delinquent reporting in accordance with Board policy, and failure to pay the \$1,000 fine assessed for not appearing at the August 15, 2024, public hearing.  Show Cause: why additional penalties should not be assessed for failure to file delinquent reporting in accordance with Board policy, and failure to pay the failure to file delinquent reports, failure to pay the penalty assessed for failure to file delinquent reports, failure to pay the penalty assessed for delinquent reports, failure to pay the	164-2024	Coalridge Disposal & Petroleum				
for failure to remedy field violations at its BN 12-11 well, API # 25- 025-21021, located in the SW¼NW¼ of Section 11, T9N-58E, Fallon County, Montana. Board staff has authority to dismiss the docket if D&A Water Disposal LLC achieves compliance prior to the October 10, 2024, public hearing.  Show Cause: why additional penalties should not be assessed for failure to file correct injection reports, failure to pay the penalty assessed for delinquent reporting in accordance with Board policy, and failure to pay the \$1,000 fine assessed for not appearing at the August 15, 2024, public hearing.  Show Cause: why additional penalties should not be assessed for failure to file delinquent production reports, failure to pay the penalty assessed for delinquent reporting, and failure to pay the	165-2024	D&A Water Disposal LLC		Dismissed	The delinquent reports/fee was received. Docket administratively dismissed in accordance with policy.	
failure to file correct injection reports, failure to pay the penalty assessed for delinquent reporting in accordance with Board policy, and failure to pay the \$1,000 fine assessed for not appearing at the August 15, 2024, public hearing.  Show Cause: why additional penalties should not be assessed for failure to file delinquent production reports, failure to pay the penalty assessed for delinquent reporting, and failure to pay the	166-2024	D&A Water Disposal LLC	for failure to remedy field violations at its BN 12-11 well, API # 25-025-21021, located in the SW¼NW¼ of Section 11, T9N-58E, Fallon County, Montana. Board staff has authority to dismiss the docket if D&A Water Disposal LLC achieves compliance prior to			
failure to file delinquent production reports, failure to pay the penalty assessed for delinquent reporting, and failure to pay the	167-2024	Justice SWD, LLC	failure to file correct injection reports, failure to pay the penalty assessed for delinquent reporting in accordance with Board policy, and failure to pay the \$1,000 fine assessed for not appearing at			
public hearing.	168-2024	Powder Battalion Holdings LLC	failure to file delinquent production reports, failure to pay the penalty assessed for delinquent reporting, and failure to pay the \$1,000 fine assessed for not appearing at the August 15, 2024,			

169-2024	Summit Gas Resources, Inc.	Show Cause: why additional penalties should not be assessed for failure to file delinquent production injection reports, failure to pay the penalty assessed for delinquent reporting, and failure to pay the \$1,000 fine assessed for not appearing at the August 15, 2024, public hearing.			
170-2024	T.W.O. (Taylor Well Operating)	Show Cause: why it should not immediately plug and abandon its inactive wells in Liberty and Toole Counties, Montana for failure to submit a plan and timeline for its inactive wells in accordance with Administrative Order 10-A-2024.	Dismissed	T.W.O. provided staff a plan/timeline for its inactive wells, docket dismissed.	
171-2024	United States Energy Corp	Show Cause: failure to pay administrative fees assessed for delinquent reporting.	Dismissed	Docket administratively dismissed in accordance with policy.	

ALL APPLICATIONS, 10/10/2024			
	(In Order of Public	ation)	
Docket	Applicant / Respondent	Status	Request
125-2024	Kraken Oil & Gas LLC		Spacing
126-2024	Kraken Oil & Gas LLC		Pooling
127-2024	Kraken Oil & Gas LLC		Spacing
128-2024	Kraken Oil & Gas LLC		Pooling
129-2024	Kraken Oil & Gas LLC		Spacing
130-2024	Kraken Oil & Gas LLC		Pooling
131-2024	Kraken Oil & Gas LLC		Spacing
132-2024	Kraken Oil & Gas LLC		Pooling
133-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
134-2024	Kraken Oil & Gas LLC		Well Density
135-2024	Kraken Oil & Gas LLC		Temp. Spacing
136-2024	Kraken Oil & Gas LLC		Well Density
137-2024	Kraken Oil & Gas LLC		Temp. Spacing
138-2024	Kraken Oil & Gas LLC		Well Density
139-2024	Kraken Oil & Gas LLC		Temp. Spacing
140-2024	Kraken Oil & Gas LLC		Well Density
141-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
142-2024	Kraken Oil & Gas LLC		Well Density
143-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
144-2024	Kraken Oil & Gas LLC		Well Density
145-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
146-2024	Kraken Oil & Gas LLC		Well Density
147-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
148-2024	Kraken Oil & Gas LLC		Well Density
149-2024	Kraken Oil & Gas LLC		Temp. Spacing
150-2024	Kraken Oil & Gas LLC		Well Density
151-2024	Kraken Oil & Gas LLC		Temp. Spacing; Vacate Order
152-2024	Kraken Oil & Gas LLC		Well Density
153-2024	Kraken Oil & Gas LLC	Continued	Temp. Spacing
154-2024	Kraken Oil & Gas LLC	Continued	Well Density
155-2024	Kraken Oil & Gas LLC		Tax Certification
	Continental Resources Inc		Well Density
	Continental Resources Inc		Well Density
	MorningStar Operating LLC	Continued	Spacing
	MorningStar Operating LLC	Continued	Pooling
	MorningStar Operating LLC	Continued	Spacing
	MorningStar Operating LLC	Continued	Pooling
23-2024	Continental Resources Inc	Continued	Temp. Spacing
	Continental Resources Inc		Temp. Spacing
	HB Oil, LLC		Other
162-2024			

Applications, 10/10/2024 Page 1 of 5

164-2024	Coalridge Disposal & Petroleum		Show-Cause
165-2024	D&A Water Disposal LLC	Dismissed	Show-Cause
166-2024	D&A Water Disposal LLC		Show-Cause
167-2024	Justice SWD, LLC		Show-Cause
168-2024	Powder Battalion Holdings LLC		Show-Cause
169-2024	Summit Gas Resources, Inc.		Show-Cause
170-2024	T.W.O. (Taylor Well Operating)	Dismissed	Show-Cause
171-2024	United States Energy Corp	Dismissed	Show-Cause

APPLICATIONS TO HEAR, 10/10/2024 (In Order of Hearing)			
Docket	Applicant	Status	Request
125-2024	Kraken Oil & Gas LLC	Spacing	
	Kraken Oil & Gas LLC	Pooling	
127-2024	Kraken Oil & Gas LLC	Spacing	
128-2024	Kraken Oil & Gas LLC	Pooling	
129-2024	Kraken Oil & Gas LLC	Spacing	
	Kraken Oil & Gas LLC	Pooling	
131-2024	Kraken Oil & Gas LLC	Spacing	
132-2024	Kraken Oil & Gas LLC	Pooling	
133-2024	Kraken Oil & Gas LLC	Temp. Spacing	g; Vacate Order
	Kraken Oil & Gas LLC	Well Density	<i>5,</i>
135-2024	Kraken Oil & Gas LLC	Temp. Spacing	3
136-2024	Kraken Oil & Gas LLC	Well Density	
	Kraken Oil & Gas LLC	Temp. Spacing	3
138-2024	Kraken Oil & Gas LLC	Well Density	
139-2024	Kraken Oil & Gas LLC	Temp. Spacing	<u> </u>
140-2024	Kraken Oil & Gas LLC	Well Density	
	Kraken Oil & Gas LLC		g; Vacate Order
142-2024	Kraken Oil & Gas LLC	Well Density	
143-2024	Kraken Oil & Gas LLC	Temp. Spacing	g; Vacate Order
	Kraken Oil & Gas LLC	Well Density	,,
145-2024	Kraken Oil & Gas LLC	Temp. Spacing	g; Vacate Order
146-2024	Kraken Oil & Gas LLC	Well Density	
147-2024	Kraken Oil & Gas LLC	Temp Spacing	g; Vacate Order
	Kraken Oil & Gas LLC	Well Density	s, vacate Order
140 2024	Maken on & das LLC	wen bensity	
149-2024	Kraken Oil & Gas LLC	Temp. Spacing	5
150-2024	Kraken Oil & Gas LLC	Well Density	
	Kraken Oil & Gas LLC		g; Vacate Order
152-2024	Kraken Oil & Gas LLC	Well Density	

156-2024	Continental Resources Inc	Well Density
157-2024	Continental Resources Inc	Well Density
109-2024	Continental Resources Inc	Temp. Spacing
162-2024	HB Oil, LLC	Other
163-2024	Coalridge Disposal & Petroleum	Show-Cause
164-2024	Coalridge Disposal & Petroleum	Show-Cause
166-2024	D&A Water Disposal LLC	Show-Cause
167-2024	Justice SWD, LLC	Show-Cause
168-2024	Powder Battalion Holdings LLC	Show-Cause
169-2024	Summit Gas Resources, Inc.	Show-Cause

DEFAULT DOCKET, 10/10/2024				
Docket	Applicant	Status	Request	
155-2024	Kraken Oil & Gas LLC		Tax Certification	

### **Inactive Wells 10/9/2024 Current Actions**

Company Name	Total Wells SI	Status	Wells Intended for plugging 2024	Actions	Recommendations	
Omimex	21	0 Producing	21	Operator transferred two wells to Keesun. Finishing plugging this week on last 2 wells.	On track to complete plugging.	
Genesis ST Operating LLC	13	1/14 Producing	2	2 wells plugged. 1 Wells produced in 2024.	On track to complete plugging.	
Reserve Operating	1	0 Producing	1	Response received via email with P&A plan. Approved P&A plan on 3/15/2024.	No contact on when plugging will start, Monitor thru 1st Qtr 2025.	
Walter S Fees, Jr.& Son Oil and Gas LLC	2	0 Producing	2	Second Inactive Letter sent on 6/3/2024. Return Receipt received on 6/10/2024. Sundry notices received & approved on 7/12/2024 to plug and abandon wells.	No contact on when plugging will start. Monitor thru 1st Qtr 2025.	
Big Snowy Resources	7	0 Producing	0	1 intent to plug back and convert to water well, 1 intent to plug back and test zone. Ricky 14-1 Sundry Received 10/8/2024 for testing of well.	Response Received to 8/21/2024 Inactive well review letter for plans and timeline of wells, or inapplicability of the plugging requirements.	
Pinnacle Ranch	1	0 Producing	0	Phone call on 2/8/2024 with operator with potential to turn well into disposal.	Monitor into 2025.	
Pearson, Gabriel	1	0 Producing	0	Response e-mail received 7/29/2024. Operator POA visited site with Field Shelby Field Inspector.	Email 7/29/2024. Waiting on evaluation of well by Liquid Gold and Plugging Plans. Monitor through 2025 activity by operator.	
Noah Energy, Inc.	5	0/4 Producing 0/1 Injecting	0	Email sent on 8/22/2023. Response received 9/27/2023. Compliance Issues referenced to Billings Office for well identification signs FIXED.	Contact with Investor looking to take over wells per inactivity of Noah Energy. Monitor thru 1st Qtr 2025.	
Coalridge Disposal and Petroleum, Inc	3	0/1 Producing 0/2 Injecting	0	Contact made with operator. Operator indicated bankruptcy. Operator is currently under show cause for UIC violation at tomorrows hearing.	Bonds: T1 \$7,000 in 1998; T2 \$7,000, B1 \$10,000. Monitor situation.	
R & A Oil	13	1/14 Producing 0/1 Injecting	0	Letter Received July 1, 2024 from operator with tax information.	2nd letter sent 6/4/2024 response received 7/1/2024.	
				20 00/ of inactive wells from list to be always dis		

Total Wells October 2024 Meeting

38.8% of inactive wells from list to be plugged in 2024 by operators.

23 34.3% currently plugged or plugging by operator.

1

67

83

## Inactive Wells 10/9/2024 Future Actions

mactive wens 10/3/2024				duile Actions		
Company Name	Total Wells SI	Status	Actions	Bonding	Recommendations	
Lustre Salt Water Disposal, Vernon R Justice	1	0 Injection	100% Shut-In Over 10 years	Single Well Bond \$5,000	Send Inactive Letter November 2024	
Paug, Gerald W	1	0 Producing	100% Shut-In Over 10 years	Single Well Bond \$1,500	Send Inactive Letter November 2024	
Hesla Oil, LLC	9	0 Producing	100% Shut-In Over 10 years	9 Single Well Bond at \$1500 Total Bonding \$13,500	Send Inactive Letter November 2024	
Habets Oil & Gas, LLC	9	0 Producing	100% Shut-In Over 10 years	9 Single Well Bond at \$1500 Total Bonding \$13,500	Send Inactive Letter November 2024	
Pride Energy Company	5	Wells plugged	100% plugged	Mulitple Well Bond \$50,000	Send Inactive Letter Addressing Reclamation November 2024	
XOIL Inc.	2	Wells plugged	100% plugged	Multiple Well Bond \$25,000	Send Inactive Letter Addressing Reclamation November 2024 Landowner and Inspector Richardson-Hoven 1-11 location inspection states landowner won't sign release o reclamation as of 11/8/2018. Landowner does not want digging and said to leave alone on 11/8/2018.	
Homestake Oil & Gas Co.	10	5/10 Oil wells producing overall	100% Fee wells Shut-in. 1 fee preregulatory producing, 4 Fed wells producing, 5 Fee wells not producing	Limited Bond 1-\$4,500 Limited Bond 2-\$3,000		
Vecta Oil and Gas, Ltd	8	8/9 Oil wells shut-in	88% Shut-In	Mulitple Well Bond \$50,000. 3 wells reclaimed	Send Inactive Letter November 2024	
Montana Oil and Gas, LLC	6	6/8 Gas wells shut-in	75% Shut-In	\$40,000 Limited Bond	Send Inactive Letter November 2024	
D90 Energy LLC	146	146/198 Oil and Gas Wells shut-in	74% Shut-In	Mulitple Well Bond \$100,000 UIC Limited Bond \$369,750. 1 well plugged in 2024 E. Helm 3. 4 wells plugged waiting on reclamation per 2019 and 2024 inspections. Plugging of 4 locations happened 2013 thru 2018 prior to CHOP.	Send Inactive Letter November 2024	
Total	107					

	responded with U	pdates as of 10/9	0/2024	1
CoName	Total_Wells	Last_Inj-Prod		
Beartooth Energy, LLC	1/4 wells to remove from bond after inspection of location		Operator plugged 1 Federal Well and 1 Fee Well. Mowell 1 well need inspection before released from bond. Change of Operator has been submitted for the two George wells to Clays Consulting, Inc who has history of returning wells to production.	
Hofland, James D.	3	1 well 12/23	Response received on 4/17/2024. Potiatch 1 and 2 wells transferred to Homestake Oil & Gas Co on 5/8/2024. After transfer there are 3 wells on Hofland, James D. bonds. Hofland 3 Bonds at \$1500 and 1 Bond at \$3000.	
Cypress Energy Partners - Sheridan SWD, LLC	1	7/31/2013	Compliance issues remain. New operator has not submitted bond. Inspection 12/4/2023 still found issues with pit. No Updates from Operator nor Transferee.	
T.W.O. Operating (Taylor Well Operating)	7	2/9 Producing	2nd Inactive Letter sent 1/3/2024. Voicemail received from operator January 2024 with update. Email sent to operator for update in writing on 2/6/2024. Operator working to divest with local Hutterite Colony.	4 wells transferred in September and October 2024. Voicemails exchanged. E-mail sent to operator asking for timeline for other 5 wells. Reduced Shut in percents from 85% to 78%.
Synergy Offshore, LLC	2	0 Producing	Operator evaluating CO2 production from the gas wells for EOR project in JOA with New Horizon.	Monitor into 2025.

Operators under Show Cause 2024					
CoName	<b>Total Wells SI</b>		Actions		
Midway Energy, LLC	11	4/11 wells producing or injecting	Plugged 3 wells through in September 2024.	Show Cause per Order 7-A-2023 Continued to December 2024 Hearing.	
Yellowstone Petroleums Inc	32	6/38 Producing or Injecting	Update from Shelby Field office 3 wells producing in Brady Field and SWD activated. 2 wells pumping in Kevin-Sunburst Field. Increased shut in wells since 2/28/2023 where 27/38 were shut-in.	See attached Email for update. Update be given at October 9th, 2024 business meeting per Order 48-2024.	

AHN! Benjamin Jones

9-2-24 RECEIVED

SEP 09 2024

MT BOARD OIL+ GAS

Taylor Well Operating - Plugging Wells A+ MAIAS GAS FIZID.

Concering wells to be + 1085eD Big Rose Colony is in the Tracess of taking All But 3-wells At the Manias Gathening System Along with All the Pipline + Well buildings, they Are Releasing those leases on State Arb FEDERAL IANDS Along with Thiuit IANDS When they take over they are foig to Remove the Exsisting well buildings For TWO AND TWO will Plug the 3wells Remain wells

I Beliew it will take All of 2025 to setthis Done Because of lack OF LAND Man AND A LABOR Shoutage

Thank You C.M Taylor Pres TWOINC

RECEIVED SEP 0 5 2024 D.N.R.C.

#### DEPARTMENT OF NATURAL RESOURCES **EXHIBIT 11**

# AND CONSERVATION





GREG GIANFORTE, GOVERNOR

OIL AND GAS CONSERVATION DIVISION

August 21, 2024

Big Snowy Resources LP 1127 Victory Ave Billings, MT 59105

Re:

Inactive Well Review-Well Plugging Requirement

Mr. Sealy,

The Board of Oil and Gas Conservation ("BOGC") records indicate that 7 wells on the attached list have not produced or attempted to produce in over 10 years.

When a well is no longer capable of production, the operator has the obligation to plug and abandon the well and to restore the location, as required by ARM 36.22.1303(1).

The owner shall not permit any well drilled for oil, gas, saltwater disposal, or any other purpose to remain unplugged after such well is no longer useful for the purpose for which it was drilled or converted. When a well is no longer capable of production because the underlying reservoir or reservoirs are depleted and there is no possible future use for the well in supplemental recovery operations or for disposal facilities, the operator shall within one year plug and abandon the well as set forth in this subchapter, unless otherwise authorized by the petroleum engineer or his authorized agent.

No later than October 8, 2024, please submit to this office plans and timelines for plug and abandoning or activating/reactivating of the wells on the attached list. If the well has the potential for future use, please provide a request for the inapplicability of the plugging requirement and well-specific documentation to support the request. October 9, 2024, BOGC will be holding a business meeting and will be discussing Big Snowy Resources LP failure to comply with ARM 36.22.1303(1) and/or potential for future use of the wells per Big Snowy Resources LP response.

Ben Davis

**Technical Program Coordinator** 

Benjamin.Davis@mt.gov

406-656-0040

**DIVISION OFFICE** 1539 11th AVENUE PO BOX 201601 **HELENA, MONTANA 59620-1601** (406) 444-6731

**TECHNICAL AND** SOUTHERN FIELD OFFICE 2535 ST. JOHNS AVENUE **BILLINGS, MONTANA 59102-4693** (406) 656-0040

NORTHERN FIELD OFFICE 201 MAIN STREET PO BOX 690 **SHELBY, MONTANA 59474-0690** (406) 434-2422

## Shut-In Wells by Operator

										12.03.11
437	Α						Wells	SI	%	
Big Sr	nowy Resourc	es LP			/\	Vell	7	7	100%	
T1	UIC Single	Well Bond		\$1,500			0	0		
M1	Multiple Well Bond		\$50,000		\$7,142.86		7	7	100%	
	SI Two to Fiv	e Years	SI Five to T	en Years SI	Greater than	Ten Years		Total		
	0		0		7			7		
437/M1	Multiple	Well Bond							Las	t Non-Zero
437 M1	065-21860	Thomas-Ste	rling 10-7	10N-25E-10	SW SE	649 FSL,	1855 FEL	SI	OIL	*******
437 M1	065-21875	Rickey 14-1		10N-25E-14	NW NE	742 FNL	2244 FEL	SI	OIL	*******
437 M1	065-21872	Thomas-Ster	ding 15-1	10N-25E-1	NW NE	646 FNL	1651 FEL	SI	OIL	
437 M1	065-21859	Oset Bolero	23-1	10N-25E-23	NENE	1065 FN	L, 330 FEL	SI	OIL	*******
437 M1	065-21871	Beckman-Co	nner 24-2	10N-25E-24	sw sw	617 FSL,	580 FWL	SI	OIL	******
437 M1	065-21192	Beckman 11	<b>-24</b>	10N-25E-24	NW NW	860 FNL	400 FWL	SI	OIL	2/28/1986
437 M1	111-21230	JR 1		3N-23E-18	SW NW	2464 FN	332 FWL	SI	GAS	

<sup>1</sup> Operator(s) Included in Report



#### BIG SNOWY RESOURCES, LP

SEP 2 0 2024

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

MONTANA BOARD OF OIL & GAS CONSERVATION ATTN: BEN JONES
2535 St. Johns Avenue
Billings, Montana 59102

Ben,

I am writing in response to the letter I received regarding the wells on Big Snowy Resources LP's bond, listed below. Understanding your busy schedule and the difficulties of arranging an inperson discussion, I thought it best to write this letter updating you on the status of operations pertaining to said wells.

RICKEY 14-1 25065218750000 10N, 25E SECTION 14

THOMAS STERLING 10-7 25065218600000 , 10N, 25E SECTION 10

THOMAS STERLING 15-1 25065218720000 10N, 25E SECTION 15

BECKMAN 11-24 25065211920000 10N, 25E SECTION 24

BECKMAN-CONNER 24-2 25065218710000 10N, 25E SECTION 24

OSET BOLERO 23-1 25065218590000 10N, 25E SECTION 23

JR 1 25111212300000 3N, 23E SECTION 18

With the exception of the JR 1 gas well, the wells are part of the Devil's Basin oil play that I have been working on for some time. As you know, Devil's Basin lies in an area of general/core sage grouse habitat, which severely (and perhaps intentionally) limits the window of opportunity

for exploration, completion and production operations. I have nevertheless invested a considerable amount of time and money into the testing of this area, including the recent purchase and transport of a drilling rig acquired for the sole purpose of Devil's Basin development, and the acquisition of leases/surface use agreements with landowners. I am keenly aware of "the clock" ticking under these *private* agreements, but am perplexed by the additional timing pressures placed upon my exploration and testing activities by the Board, especially given the dearth of exploration activity in this area (and the State as a whole).

In the fall of 2023 and early spring of 2024, I filed sundry notices for the Rickey 14-1 well. I engaged Blacksmith Oil Tools (with offices in Medicine Hat, Alberta and Havre, Montana) to perform the work on the Rickey. The job was completed in late August, and I contracted a swabbing rig to unload the water in the column and test the commercial potential. The swab rig was only available for a short period of time and because of the scarcity of local services, they are expensive and very limited in this area.

The testing efforts are from a new discovery in the Devil's Basin; from the Kibby Formation (33.6 gravity, sweet crude oil). Testing will continue through the fall, weather permitting and I will be requesting approval to deepen a couple of existing wells, further up dip on the structure, in an effort to exploit this new discovery.

Plans for the wells in question to include the Thomas-Sterling wells, Beckman 11-24, Conner 24-2, and Oset Bolero 23-1 will be made after a careful review of the results seen in the Rickey 14-1. Given the encouraging initial findings in the Rickey 14-1, plugging any of the Devil's Basin wells is antithetical to the promotion of conservation and the prevention of waste, and would certainly be against the wishes of the area mineral owners.

The JR 1 gas well remains shut-in due to lack of a market pipeline and efforts are being pursued to exploit other opportunities for this type of stranded gas.

I appreciate your continued dialogue, and assure you that I am as eager as anyone to continue my testing and production in this long-overlooked area of our State. Please feel free to call or email me anytime for further discussion.

Sincerely,

Randy Sealey



SEP 2 0 2024

### Big Snowy Resources, LP

RECEIVED

OCT 11 2024

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

Montana Board of Oil and Gas Conservation ATTN: Ben Jones 2535 St. Johns Avenue Billings, Montana 59102

10/02/2024

Hi Ben,

This letter is in response to your email to Darin on 9/25/24 and to further clarify the previous letter that I wrote to you a few days earlier; the letter that you referred to in your email.

You're right about the wells in question having been shut in for an extended period of time. The following is to clarify my involvement with these wells from the time that they were drilled; I was not the owner of Big Snowy Resources (BSR) or even a part owner and only the "Agent" for BSR. John Campbell was the owner of BSR, Antelope Resources and Crazy Mountain Group, when these wells were drilled. I purchased BSR from John in 2010 and as part of that purchase agreement, immediately signed Change of Operator Agreements transferring ownership of these wells from BSR to Antelope Resources.

In early 2018 and after having been away from the oil industry for several years, I became aware that the Mosser Dome Oil Field had been shut down since 2015. I contacted Campbell's representative and after some serious negotiations, I made an offer to purchase the field and did so in June of 2018. I (BSR) purchased Mosser Dome Oil Field from Antelope Resources and this purchase included the subject wells, the wells that Antelope (John Campbell) owned since 2010 and that BSR (John Campbell) drilled, owned and controlled, until they were assigned to Antelope Resources (John Campbell).

Ben, the following statements are provided with all due respect to you and your office and I want you to know that I have every intention of working with you in good faith and complying with your requirements. None of the following is meant as anything personal toward you and is only described so that you have a complete understanding of the history involved.

As a "Veteran Army Officer, I certainly know, what the "Chain of Command" is, and you are the man in charge and you are the one that makes the final decisions. I have nothing against meeting with Ben Davis or Scot Bloomfield, however I am old enough and have been in business long enough, I know where the "Buck Stops".

Even though the ARM 36.22.1303(1) has been in effect for quite a long period of time, the precedent that your office has established over the years, to include these wells and numerous others around the state, apparently is up to the discretion of you and your enforcers. Therefore, I ask the question, why did your office not enforce your ARM 36.22.1303(1) the 8 years that Antelope possessed the wells and why did your office not require the clean up of the Ricky #14-1 and the plugging of these wells to include the installation of well signs before I entered the picture and before you allowed the transfer of the wells from Antelope to BSR in 2018? This question is the main reason that I am, "perplexed", by the "Timing Pressure" that I feel you are pushing, even though I have had communications with your office and have adequate bonding.

After making said purchase in 2018, I spent considerable time, energy and monies restarting Mosser Dome to include having to re-lease the minerals related to Mosser Dome due to the 3-year shut down of the field. Then came the "Covid Virus Shut Down of the Country" to include the complete collapse of the price of crude oil. In 2021, 2022 and 2023, I began a leasing program in the Devil's Basin area with the idea of exploring and developing the Kibby formation; the formation of which oil was discovered in the Ricky #14-1. I was in contact with John G. in your office through this period of time by phone and email.

The challenges of oil exploration and development are daunting anywhere, but especially in central Montana, because of the "War on Hydrocarbons". You may have a different opinion on this subject, but those of us that are the investors, mineral owners and workers in this industry, have no doubt what this really is. The many ramifications of this "War" include, but are not limited to the drilling restrictions for ½ of the best part of the year for exploration and drilling and the extortion of monies and severe restrictions by the "bird people", on those of us that are willing to take the risk, in this industry. Furthermore, this "War" has discouraged other companies from investing and exploring in central Montana and because of this flight of investment, the service companies have also had to go other places in order to prosper and survive, which creates serious additional costs and timing issues, for those of us that are still trying, due to the lack of local services. Even so, I have invested in research, leases, and equipment, to include a multi-million dollar rig specifically to develop the resources on portions of several thousand acres of minerals that I have leased, which include the lands with the wells in question.

Ben, you suggested that my letter was "Vague and mostly Mirrored" what I have told John two years ago. You're right that my conversations with John, "Mirror", what was discussed some two years ago; the leasing, acidizing and testing has been exactly what I had discussed with John beginning some time ago. I thought John and I had a good relationship and everything that I discussed with him is proceeding as fast and as reasonable as possible.

In an effort of not being too "Vague" or redundant I would like to state the following; until I have had the opportunity to explore and test the viability of the Tyler, Heath and Kibby formations in this field, I do not want to see any of these wells plugged. Our intentions are to possibly deepen some wells, reperforate and or log some wells and possibly permit some for water disposal. We know that "time is of the essence" we hope that all of the wells will be brought into compliance within the next 12 months.

I would hope that you can find a way to give me a reasonable chance to prove the viability of this new discovery and all of the efforts that are being expended on Devil's Basin.

RECEIVED

OCT 11 2024

MONTANA BOARD OF OIL &

GAS CONSERVATION . BILLINGS

Randy Sealey
Big Snowy Resources, LP
bsr@bigsnowy.com
406-670-3154

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

IN THE MATTER OF BIG SNOWY RESOURCES LP AND ITS INACTIVE WELLS IN MUSSELSHELL AND YELLOWSTONE COUNTIES, MONTANA.

**ADMINISTRATIVE ORDER 13-A-2024** 

Big Snowy Resources LP (Big Snowy) is the operator of seven wells located in Musselshell and Yellowstone Counties, Montana. These wells have been inactive for two or more years.

On October 20·2023, Big Snowy filed a Sundry for work on the Rickey 14-1 well, API # 065-21875 that was approved by staff on October 30, 2023. A second Sundry was filed on May 7, 2024, and approved on May 16, 2024, for additional work on the Rickey 14-1 well. A subsequent sundry was submitted on October 8, 2024, after a request by staff, which indicated some work and testing had been completed on the Rickey 14-1 well.

On August 21, 2024, a certified letter was mailed to Big Snowy requesting it submit plans and timelines for the plugging and abandonment or reactivating its wells. If a well has the potential for future use, well-specific documentation for the inapplicability of the plugging requirement was requested. This request was made in accordance with ARM 36.22.1307.

On September 20, 2024, and October 8, 2024, Big Snowy submitted two letters to the Board, but did not provide an adequate plan or timeline for its inactive wells.

IT IS THEREFORE ORDERED by the Board that Big Snowy must provide staff a detailed well plan for a minimum of two wells with a timeline and benchmarks for reactivating, transferring, or plugging its inactive wells to reduce plugging liability prior to the October 31, 2024, hearing application deadline or Big Snowy must appear at the December 5, 2024, public hearing to provide an update of its efforts to reduce its plugging liability and to review its plugging and reclamation bonds to determine if the coverage is adequate under § 82-11-123(5), MCA.

Dated this 9th day of October, 2024
Montana Board of Oil and Gas Conservation
Benjamin Jones, Administrator

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

IN THE MATTER OF MONTANA ENERGY COMPANY, LLC FOR FAILURE TO PAY ITS \$2,500 OUTSTANDING FINE.

**ADMINISTRATIVE ORDER 14-A-2024** 

Montana Energy Company, LLC (MEC) is the operator of the CSTSU D116 located in Section 16, T11N-R32E, Rosebud County, Montana.

MEC had compliance issues at the CSTSU D116 well that subjected MEC to a daily fine of \$100 until the violations were resolved. MEC remedied the compliance issues after 45 days and the daily fine accrued to \$4,500. MEC requested an abatement of the fine. The Board deliberated and reduced the fine to \$2,500. The fine was immediately payable.

As of October 9, 2024, MEC has not paid the fine.

IT IS THEREFORE ORDERED by the Board that MEC must pay the outstanding fine of \$2,500 prior to the October 31, 2024, hearing application deadline or MEC must appear at the December 5, 2024, public hearing and show cause, if any it has, why additional penalties should not be imposed for failure to pay the fine.

Benjamin Jones, Administrator
Montana Board of Oil and Gas Conservation
Dated this 9 <sup>th</sup> day of October, 2024

### SUMMARY PAGE

#### Permitting Activity

- o New Horizontal Locations
  - 15 APDs in Richland & Roosevelt County
    - 8 by Kraken Operating, LLC
    - 7 by Phoenix Operating, LLC
- Re-Issued
  - 3 Wells
    - 1 Petroleum County Vertical Re-entry by Columbia Petroleum, Ltd.
    - 1 Richland County Horizontal Well by Kraken Operating, LLC
    - 1 Toole County by Vertical Well by Wavetech Helium, Inc→ Currently Drilling
- Pending APDs
  - 11 total APDs
    - Continental Resources Inc 5 Horizontal Well APDs
    - Phoenix Operating, LLC 4 Horizontal Well APDs
    - Hereford Resources, LLC- 2 Vertical Well APDs

### MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

### BOARD OF OIL AND GAS CONSERVATION

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

8/16/2024 To 10/8/2024

New Locations - Horizontal Wells:

Richland Wildcat 083-23486

Kraken Operating, LLC Reagan 34-27-22 1H

SHL: NW NE 3-25N-57E (494 FNL/2296 FEL) EL 2318' GR 32979

PBHL: 26431' NW NW 22-26N-57E (205 FNL/550 FWL) Bakken

Approved: 09/19/2024

ACTIVITIES:

Richland Wildcat 083-23487

Kraken Operating, LLC Reagan 34-27-22 2H

SHL: NW NE 3-25N-57E (494 FNL/2263 FEL) EL 2318' GR

PBHL: 26212' NE NW 22-26N-57E (205 FNL/1850 FWL) Bakken

Approved: 09/19/2024

Richland Wildcat 083-23488

Kraken Operating, LLC Reagan 34-27-22 3H

SHL: NW NE 3-25N-57E (494 FNL/2230 FEL) EL 2318' GR 32981

PBHL: 26167' NW NE 22-26N-57E (205 FNL/1850 FEL) Bakken

Approved: 09/19/2024

Richland Wildcat 083-23489

Kraken Operating, LLC Reagan 34-27-22 4H

SHL: NW NE 3-25N-57E (494 FNL/2197 FEL) EL 2318' GR

PBHL: 26302' NE NE 22-26N-57E (205 FNL/550 FEL) Bakken

Approved: 09/19/2024

Roosevelt. Wildcat 085-22064

Kraken Operating, LLC Holly 17-8-5 2H

SHL: NE NE 20-28N-59E (576 FNL/432 FEL) EL 2154' GR 32966

PBHL: 26749' NE NW 5-28N-59E (205 FNL/1405 FWL) Bakken

Approved: 08/20/2024

Roosevelt Wildcat 085-22065

Kraken Operating, LLC Holly 17-8-5 3H

SHL: NE NE 20-28N-59E (543 FNL/432 FEL) EL 2154' GR 32967

PBHL: 26359' NE NW 5-28N-59E (205 FNL/2450 FEL) Bakken

Approved: 08/20/2024 ACTIVITIES:

8/16/2024 To 10/8/2024

New Locations - Horizontal Wells:

Roosevelt

Wildcat

085-22066

Kraken Operating, LLC

Powers 20-29-32 4H

SHL: NE NE 20-28N-59E (510 FNL/432 FEL) EL 2154' GR PBHL: 26146' SW SE 32-28N-59E (205 FSL/2060 FEL) Bakken

32968

Approved: 08/20/2024

Roosevelt

Wildcat

085-22067

Kraken Operating, LLC

Powers 20-29-32 5H

SHL: NE NE 20-28N-59E (477 FNL/432 FEL) EL 2154' GR

PBHL: 10360' SE SE 32-28N-59E (205 FSL/660 FEL) Bakken

Approved: 08/20/2024

Roosevelt

Wildcat

085-22068

Phoenix Operating LLC

Scadden 21-28-33 1H

SHL: NE NW 21-30N-59E (450 FNL/2156 FEL) EL 2472' GR

PBHL: 26136' SW SW 33-30N-59E (240 FSL/660 FWL) Bakken

Approved: 08/22/2024

Roosevelt

Wildcat

085-22069

Phoenix Operating LLC

Scadden 21-28-33 2H

SHL: NE NW 21-30N-59E (450 FNL/2126 FEL) EL 2472' GR

PBHL: 25995' SE SW 33-30N-59E (240 FSL/2235 FWL) Bakken

Approved: 08/22/2024

Roosevelt

Wildcat

085-22070

Phoenix Operating LLC

Scadden 21-28-33 3H

SHL: NE NW 21-30N-59E (450 FNL/2096 FEL) EL 2472' GR

PBHL: 26156' SW SW 33-30N-59E (240 FSL/660 FEL) Bakken

Approved: 08/22/2024

Roosevelt

Wildcat

085-22071

Phoenix Operating LLC

Samurai 36-25-24 1H

SHL: NE NE 4-28N-58E (450 FNL/920 FWL) EL 2109' GR PBHL: 26585' NW NW 24-29N-57E (200 FNL/660 FWL) Bakken

Approved: 09/12/2024

085-22072

Roosevelt

Wildcat

Samurai 36-25-24 2H

Phoenix Operating LLC

32975

SHL: NE NE 4-28N-58E (450 FNL/950 FWL) EL 2109' GR PBHL: 26077' NE NW 24-29N-57E (200 FNL/1980 FWL) Bakken

Approved: 09/12/2024

### New Locations - Horizontal Wells:

Roosevelt

Wildcat

085-22073

Phoenix Operating LLC

Samurai 36-25-24 3H

SHL: NE NE 4-28N-58E (450 FNL/980 FWL) EL 2109' GR

PBHL: 25790' NW NE 24-29N-57E (200 FNL/1980 FEL) Bakken

Approved: 09/12/2024

Roosevelt

Wildcat

085-22074

Phoenix Operating LLC

Samurai 36-25-24 4H

SHL: NE NE 4-28N-58E (450 FNL/1010 FWL) EL 2109' GR

32977

PBHL: 25745' NE NE 24-29N-59E (200 FNL/660 FEL) Bakken

Approved: 09/12/2024

### Re-Issued Locations:

Petroleum

Cat Creek, West Dome

069-21106

Columbia Petroleum, Ltd.

Gel 5

SHL:SW NE NE 12-15N-28E (1020 FNL/1035 FEL) EL 2869' G

32983

Proposed Depth: 2125' (Morrison)

Approved: 09/23/2024

Richland

Wildcat

083-23429

Kraken Operating, LLC

Claire 34-22 #4H

SHL: NE SW 34-26N-59E (1424 FSL/2582 FWL) EL 2160' GR

PBHL: 25080' 22-26N-59E (205 FNL/550 FEL) Bakken

32978

Approved: 09/16/2024

Toole

Wildcat

101-24287

Wavetech Helium, Inc.

Big Rose 1-34

SHL: NW 34-34N-1W (1320 FNL/1320 FWL) EL 3474' GR

32970

Proposed Depth: 5000' (Flathead Formation)

Approved: 08/23/2024