

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

UPON THE APPLICATION OF WHITE ROCK OIL & GAS, LLC TO APPROVE AND CERTIFY THE FOLLOWING WELLS IN RICHLAND COUNTY, MONTANA, AS HORIZONTALLY RECOMPLETED WELLS (RECOMPLETED EXISTING HORIZONTAL DRAIN HOLES) ENTITLED TO APPLICABLE SEVERANCE TAX REDUCTIONS THROUGH THE MONTANA DEPARTMENT OF REVENUE AND TO CERTIFY PRODUCTION DECLINE RATES TO BE USED IN THE CALCULATION OF INCREMENTAL PRODUCTION.

ORDER 140-2024

API NUMBER	WELL NAME	LOCATION	RECOMPLETION DATE (REFRAC)
25-083-22344	BR 11-14H 54	25N-54E-14	AUGUST 2024
25-083-22279	MORASKO 41-25H 43	24N-53E-25	SEPTEMBER 2024
25-083-22598	IRIGOIN STATE 11X-16	25N-54E-16	SEPTEMBER 2024
25-083-21969	IRIGOIN 24X-18	25N-54E-18	SEPTEMBER 2024
25-083-22416	BR 44-9H 54	25N-54E-9	AUGUST 2024
25-083-22523	BR 11-27H 43	24N-53E-27	AUGUST 2024

Docket No. 172-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of ARM 36.22.1704 have been met.

Order

IT IS THEREFORE ORDERED by the Board that the application of White Rock Oil & Gas LLC is granted as applied for.

BOARD ORDER NO. 140-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF PHOENIX OPERATING LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 2 AND 11, T28N-R57E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 138-2024

Docket No. 174-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Don Lee, attorney, Mark Johnson, executive vice president of land, regulatory, and HSE, Nick Daniele, vice president of geology, and Eric Shivey, vice president of reservoir engineering and corporate reserves, appeared on behalf of Phoenix Operating LLC (Phoenix).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 178-2010.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Section 2 and 11, T28N-R57E, Roosevelt County, Montana.
5. No protest to the application of Phoenix was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 138-2024

Order

IT IS THEREFORE ORDERED by the Board that Phoenix is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 2 and 11, T28N-R57E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

ORDER 139-2024

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5, 8, AND 17, T26N-57E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL, AND APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO THE PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

APPLICANT REQUESTS THAT BOARD ORDER 143-2013 PERTAINING TO SECTIONS 17 AND 20, T26N-R57E BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE BREAKS 20-17 #1-H WELL.

APPLICANT FURTHER REQUESTS THAT BOARD ORDER 47-2012 THAT CREATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5 AND 8, T26N-R57E, BE VACATED.

Docket No. 153-2024

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5, 8, AND 17, T26N-57E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO THE PRODUCTION FROM THE PROPOSED HORIZONTAL WELLS.

Docket No. 197-2024

UPON THE APPLICATION OF PHOENIX OPERATING LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5 AND 8, T26N-R57E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

Docket No. 175-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.

2. Dockets 153-2024, 197-2024, and 175-2024 were combined for hearing since all dockets pertained to the same lands.

3. Uriah Price, attorney, Alan White, vice president of land, and Matt Luna, vice president of engineering, appeared on behalf of Kraken Oil & Gas LLC (Kraken). Kraken's requests were for: 1) designation of an overlapping temporary spacing unit comprised of Sections 5, 8, and 17, T26N-R57E, Richland County, Montana, 2) authorization to drill three additional wells in the temporary spacing unit, and 3) protest of Phoenix Operating LLC's (Phoenix) Docket 175-2024.

4. Don Lee, attorney, Mark Johnson, executive vice president of land, regulatory, and HSE, Nick Daniele, vice president of geology, and Eric Shivey, vice president of reservoir engineering and corporate reserves, appeared on behalf of Phoenix. Phoenix's requests were for: 1) the authorization to drill three additional wells in the existing temporary spacing unit comprised of Sections 5 and 8, T26N-R57E, Richland County, Montana and 2) protest of Kraken's Dockets 153-2024 and 197-2024.

5. Sections 5 and 8, T26N-R57E, was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Order 380-2011.

6.. Sections 17 and 20, T26N-R57E, was designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Breaks 20-17 #1-H well by Order 142-2013, and interests were pooled on the basis of surface acreage by Order 143-2013. Kraken is the operator of the Breaks 20-17 #1-H well.

7. Phoenix owns a 63% working interest in the two-section temporary spacing unit.

8. Kraken owns a 50.74% working interest in its proposed three-section overlapping temporary spacing unit.

9. Both applicants presented testimony and exhibits to support its requests. The development plans for the area, including spacing unit size, were discussed in detail to make certain the plans promote orderly development of the area and prevent the drilling of unnecessary wells required under § 82-11-201, MCA.

10. The Board expressed its desire for both applicants to continue efforts toward reaching a mutually beneficial agreement.

11. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

BOARD ORDER NO. 139-2024

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Dockets 153-2024, 197-2024, and 175-2024 are continued until the February 20, 2025, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AMEND BOARD ORDERS 18-2020, 2-2022, 3-2023, AND 1-2024 TO PROVIDE THAT OPERATIONS FOR THE DRILLING OF A WELL IN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 22, 27, AND 34, T26N-R59E, RICHLAND COUNTY, MONTANA MUST BE COMMENCED PRIOR TO FEBRUARY 15, 2026. ALL OTHER PROVISIONS IN SAID ORDER REMAINS UNCHANGED AND IN FULL FORCE AND EFFECT.

ORDER 142-2024

Docket No. 176-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Board Order 18-2020, 2-2022, 3-2023, and 1-2024 are hereby amended to provide that drilling operations must commence not later than February 15, 2026.

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

BOARD ORDER NO. 142-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 11-2023 AND 6-2024 TO PROVIDE THAT OPERATIONS FOR THE DRILLING OF A WELL IN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTION 36, T27N-R57E AND ALL OF SECTIONS 1 AND 12, T26N-R57E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA MUST BE COMMENCED PRIOR TO FEBRUARY 15, 2026. ALL OTHER PROVISIONS IN SAID ORDER REMAINS UNCHANGED AND IN FULL FORCE AND EFFECT.

ORDER 143-2024

Docket No. 177-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Board Order 11-2023 and 6-2024 are hereby amended to provide that drilling operations must commence not later than February 15, 2026.

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

BOARD ORDER NO. 143-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 6-2023 AND 3-2024 TO PROVIDE THAT OPERATIONS FOR THE DRILLING OF A WELL IN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5, 8, AND 17, T24N-R59E, RICHLAND COUNTY, MONTANA MUST BE COMMENCED PRIOR TO FEBRUARY 15, 2026. ALL OTHER PROVISIONS IN SAID ORDER REMAINS UNCHANGED AND IN FULL FORCE AND EFFECT.

ORDER 144-2024

Docket No. 178-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Board Order 6-2023 and 3-2024 are hereby amended to provide that drilling operations must commence not later than February 15, 2026.

BOARD ORDER NO. 144-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 4-2023 AND 2-2024 TO PROVIDE THAT OPERATIONS FOR THE DRILLING OF A WELL IN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4, 9, AND 16, T24N-R59E, RICHLAND COUNTY, MONTANA MUST BE COMMENCED PRIOR TO FEBRUARY 15, 2026. ALL OTHER PROVISIONS IN SAID ORDER REMAINS UNCHANGED AND IN FULL FORCE AND EFFECT.

ORDER 145-2024

Docket No. 179-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Board Order 4-2023 and 2-2024 are hereby amended to provide that drilling operations must commence not later than February 15, 2026.

BOARD ORDER NO. 145-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 42-2022 TO PROVIDE THAT OPERATIONS FOR THE DRILLING OF A WELL IN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4 AND 9, T26N-R57E AND ALL OF SECTION 33, T27N-R57E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA MUST BE COMMENCED PRIOR TO FEBRUARY 15, 2026. ALL OTHER PROVISIONS IN SAID ORDER REMAINS UNCHANGED AND IN FULL FORCE AND EFFECT.

ORDER 146-2024

Docket No. 180-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Board Order 42-2022 is hereby amended to provide that drilling operations must commence not later than February 15, 2026.

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

BOARD ORDER NO. 146-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3, 10, AND 15, T26N-R57E AND ALL OF SECTION 34, T27N-R57E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL, AND APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 147-2024

APPLICANT REQUESTS THAT BOARD ORDER 40-2017 PERTAINING TO SECTIONS 33 AND 34, T27N-R57E BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE SHAYLA 34-33 #1H WELL.

APPLICANT FURTHER REQUESTS TO VACATE BOARD ORDER 301-2010 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3 AND 10, T26N-R57E AND BOARD ORDER 51-2012 THAT ADJUSTED THE SETBACKS IN THAT SPACING UNIT BE VACATED.

Docket No. 181-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Joshua Lachner, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).

BOARD ORDER NO. 147-2024

3. Sections 33 and 34, T27N-R57E, was designated a permanent spacing unit by Order 39-2017, and Bakken/Three Forks interests within the spacing unit were pooled by Order 40-2017.

4. Kraken is the majority working interest owner in the proposed overlapping temporary spacing unit and the operator of the Shayla 34-33 #1H well.

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

6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 3, 10, and 15, T26N-R57E and all of Section 34, T27N-R57E, Richland and Roosevelt Counties, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that the pooling order established by Board Order 40-2017 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Shayla 34-33 #1H well.

IT IS FURTHER ORDERED that Board Orders 301-2010 and 51-2012 are hereby vacated.

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

BOARD ORDER NO. 147-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3, 10, AND 15, T26N-R57E AND ALL OF SECTION 34, T27N-R57E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 148-2024

Docket No. 182-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Joshua Lachner, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 147-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 3, 10, and 15, T26N-R57E and Section 34, T27N-R57E, Richland and Roosevelt Counties, Montana.
5. No protest to the application of Kraken was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 148-2024

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 3, 10, and 15, T26N-R57E and all of Section 34, T27N-R57E, Richland and Roosevelt Counties, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 30 AND 31, T27N-R57E AND ALL OF SECTIONS 6 AND 7, T26N-R57E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 149-2024

APPLICANT REQUESTS TO VACATE BOARD ORDER 416-2011 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 6 AND 7, T26N-R57E AND BOARD ORDER 96-2011 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 30 AND 31, T27N-R57E.

Docket No. 183-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Joshua Lachner, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 149-2024

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 30 and 31, T27N-R57E and all of Sections 6 and 7, T26N-R57E, Richland County, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that Board Order 416-2011 and 96-2011 are hereby vacated.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 30 AND 31, T27N-R57E AND ALL OF SECTIONS 6 AND 7, T26N-R57E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 150-2024

Docket No. 184-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Joshua Lachner, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 149-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 30 and 31, T27N-R57E and Sections 6 and 7, T26N-R57E, Richland, Montana.
5. No protest to the application of Kraken was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 150-2024

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 30 and 31, T27N-R57E and all of Sections 6 and 7, T26N-R57E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 15, 22, AND 27, T24N-R59E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 151-2024

APPLICANT REQUESTS TO VACATE BOARD ORDER 121-2011 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 15 AND 22, T24N-R59E.

Docket No. 185-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 151-2024

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 15, 22, and 27, T24N-R59E, Richland County, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that Board Order 121-2011 is hereby vacated.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 15, 22, AND 27, T24N-R59E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 152-2024

Docket No. 186-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 151-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 15, 22, and 27, T24N-R59E, Richland County, Montana.
5. No protest to the application of Kraken was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 15, 22, and 27, T24N-R59E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

BOARD ORDER NO. 152-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 1, 12, 13, AND 24, T24N-R58E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 153-2024

APPLICANT REQUESTS TO VACATE BOARD ORDER 207-2014 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 1, 12, AND 13, T24N-R58E AND THAT ORDER 323-2014 THAT AUTHORIZED ADDITIONAL WELLS IN THAT SPACING UNIT BE VACATED.

Docket No. 187-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 153-2024

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 1, 12, 13, and 24, T24N-R58E, Richland County, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that Board Order 207-2014 and 323-2014 are hereby vacated.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 1, 12, 13, AND 24, T24N-R58E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 154-2024

Docket No. 188-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 153-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 1, 12, 13, and 24, T24N-R58E, Richland County, Montana.
5. No protest to the application of Kraken was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 1, 12, 13, and 24, T24N-R58E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

BOARD ORDER NO. 154-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 2, 11, 14, AND 23, T24N-R58E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 155-2024

APPLICANT REQUESTS TO VACATE BOARD ORDER 208-2014 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 2, 11, AND 14, T24N-R58E AND THAT ORDER 322-2014 THAT AUTHORIZED ADDITIONAL WELLS IN THAT SPACING UNIT BE VACATED.

APPLICANT REQUESTS TO VACATE BOARD ORDER 377-2012 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 22 AND 23, T24N-R58E.

Docket No. 189-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

BOARD ORDER NO. 155-2024

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 2, 11, 14, and 23, T24N-R58E, Richland County, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that Board Order 208-2014, 322-2014, and 377-2012 are hereby vacated.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 2, 11, 14, AND 23, T24N-R58E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 156-2024

Docket No. 190-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 155-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 2, 11, 14, and 23, T24N-R58E, Richland County, Montana.
5. No protest to the application of Kraken was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 2, 11, 14, and 23, T24N-R58E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

BOARD ORDER NO. 156-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3, 10, 15, AND 22, T24N-R58E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 157-2024

APPLICANT REQUESTS TO VACATE BOARD ORDER 377-2012 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 22 AND 23, T24N-R58E AND BOARD ORDER 267-2014 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3, 10, AND 15, T24N-R58E.

Docket No. 191-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 157-2024

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 3, 10, 15, and 22, T24N-R58E, Richland County, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that Board Order 377-2012 and 267-2014 are hereby vacated.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 3, 10, 15, AND 22, T24N-R58E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 158-2024

Docket No. 192-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 157-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells in Sections 3, 10, 15, and 22, T24N-R58E, Richland County, Montana.
5. No protest to the application of Kraken was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 158-2024

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 3, 10, 15, and 22, T24N-R58E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4, 9, 16, AND 21, T24N-R58E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 159-2024

APPLICANT REQUESTS TO VACATE BOARD ORDER 375-2012 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 16 AND 21, T24N-R58E AND BOARD ORDER 268-2014 THAT DESIGNATED A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4, 9, AND 16, T24N-R58E.

Docket No. 193-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. No protest to the application of Kraken was made.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 159-2024

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 4, 9, 16, and 21, T24N-R58E, Richland County, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well from anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that Board Order 375-2012 and 268-2014 are hereby vacated.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4, 9, 16, AND 21, T24N-R58E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 160-2024

Docket No. 194-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Justin Payne, landman, and Samuel Fonseca, reservoir engineer, appeared on behalf of Kraken Oil & Gas LLC (Kraken).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 159-2024.
4. Evidence presented at the time of the hearing supports the drilling of three additional horizontal Bakken/Three Forks interval wells Sections 4, 9, 16, and 21, T24N-R58E, Richland County, Montana.
5. No protest to the application of Kraken was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 4, 9, 16, and 21, T24N-R58E, Richland, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

BOARD ORDER NO. 160-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES INC TO AUTHORIZE THE DRILLING OF AN ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 14, 23, AND 26, T28N-R57E, ROOSEVELT COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. THE APPLICATION INDICATES THAT THE W½E½ AND LOTS 3, 4, 7, AND 8 OF SECTION 14, AND LOTS 1, 5, 6, AND NW¼NE¼ OF SECTION 23, T28N-R57E, CONTAIN INDIAN TRUST MINERALS.

ORDER 161-2024

Docket No. 198-2024 / 3-2025 FED

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Scotti Gray, attorney, Austin Williams, senior landman, Tyler Gruenbacher, exploration geologist, and Leo Lasecki, reservoir engineer, appeared on behalf of Continental Resources, Inc (Continental Resources).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 17-2024.
4. Evidence presented at the time of the hearing supports the drilling of an additional horizontal Bakken/Three Forks interval well in Sections 14, 23, and 26, T28N-R57E, Roosevelt County, Montana.
5. No protest to the application of Continental Resources was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 161-2024

Order

IT IS THEREFORE ORDERED by the Board that Continental Resources is authorized to drill an additional horizontal Bakken/Three Forks Formation well in the temporary spacing unit comprised of all of Sections 14, 23, and 26, T28N-R57E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES INC TO
AUTHORIZE THE DRILLING OF AN ADDITIONAL HORIZONTAL
BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN
THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF
SECTIONS 14, 23, AND 26, T26N-R53E, RICHLAND COUNTY,
MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK)
AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES
THEREOF.

ORDER 162-2024

Docket No. 207-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Scotti Gray, attorney, Austin Williams, senior landman, Tyler Gruenbacher, exploration geologist, and Leo Lasecki, reservoir engineer, appeared on behalf of Continental Resources, Inc (Continental Resources).
3. The lands described in the caption was designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 80-2019.
4. Evidence presented at the time of the hearing supports the drilling of an additional horizontal Bakken/Three Forks interval well in Sections 14, 23, and 26, T26N-R53E, Richland County, Montana.
5. No protest to the application of Continental Resources was made.
6. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 162-2024

Order

IT IS THEREFORE ORDERED by the Board that Continental Resources is authorized to drill an additional horizontal Bakken/Three Forks Formation well in the temporary spacing unit comprised of all of Sections 14, 23, and 26, T26N-R53E, Richland, County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

ORDER 163-2024

UPON THE APPLICATION OF CONTINENTAL RESOURCES INC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 13, 14, 23, 24, 25, AND 26, T26N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREIN AT ANY LOCATION NOT FURTHER THAN 500' FROM THE COMMON BOUNDARY BETWEEN ALL OF SECTIONS 13, 24, AND 25, T26N-R53E, AND ALL OF SECTIONS 14, 23, AND 26, T26N-R53E WITH A 200' HEEL/TOE SETBACK TO THE EXTERIOR BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SAID WELL MUST COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER ISSUED BY THE BOARD. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL, AND APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

APPLICANT REQUESTS THAT BOARD ORDER 112-2013 PERTAINING TO SECTIONS 13 AND 24, T26N-R53E BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE DEVIN 1-13H WELL.

APPLICANT FURTHER REQUESTS THAT BOARD ORDER 92-2022 PERTAINING TO SECTIONS 13, 24, AND 25, T26N-R53E BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE DEVIN FIU 3-13H AND DEVIN FIU 4-13H WELLS.

APPLICANT FURTHER REQUESTS THAT BOARD ORDER 42-2013 PERTAINING TO SECTIONS 14 AND 23, T26N-R53E BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE EGAN 1-14H WELL.

Docket No. 208-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.

2. Scotti Gray, attorney, Austin Williams, senior landman, Tyler Gruenbacher, exploration geologist, and Leo Lasecki, reservoir engineer, appeared on behalf of Continental Resources, Inc (Continental Resources).

3. Sections 13 and 24, T26N-R53E, was designated a permanent spacing unit by Order 111-2013, and Bakken/Three Forks interests within the spacing unit were pooled by Order 112-2013. Sections 13, 24, and 25, T26N-R53E, was designated a permanent spacing unit by Order 91-2022, and Bakken/Three Forks interests within the spacing unit were pooled by Order 92-2022. Sections 14 and 23, T26N-R53E, was designated a permanent spacing unit by Order 41-2013, and Bakken/Three Forks interests within the spacing unit were pooled by Order 42-2013.

4. No protest to the application of Continental Resources was made.

5. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 13, 14, 23, 24, 25, and 26, T26N-R53E, Richland County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well at a location proximate to the common boundary between Sections 13, 24, and 25, T26N-R53E, and Sections 14, 23, and 26, T26N-R53E, but not closer than 200' (heel/toe setback) to the exterior boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

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

IT IS FURTHER ORDERED that the pooling order established by Board Order 112-2013 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Devin 1-13H well; the pooling order established by Board Order 92-2022 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Devin FIU 3-13H and Devin FIU 4-13H wells; and the pooling order established by Board Order 42-2013 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of Egan 1-14H well.

IT IS FURTHER ORDERED that the well authorized under this application cannot be drilled to total depth until a horizontal Bakken/Three Forks Formation is drilled to total depth in the east half of the underlying temporary spacing unit comprised of Sections 14, 23, and 26 with the well in the underlying spacing unit to be completed at the same time as the boundary well authorized by this application.

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

BOARD ORDER NO. 163-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF HYDRA MT, LLC TO DRILL THE MIKE JR 15-1H SWD WELL IN THE NW¹/₄NW¹/₄ OF SECTION 15, T25N-R58E, RICHLAND COUNTY, MONTANA (WILDCAT) AS A SALTWATER DISPOSAL WELL IN THE DAKOTA FORMATION AT A DEPTH OF APPROXIMATELY 4,906 – 5,780 FT KBTVD. AN AQUIFER EXEMPTION IS BEING REQUESTED SINCE THE INJECTION ZONE CONTAINS WATER WITH LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 141-2024

Docket No. 209-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

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

BOARD ORDER NO. 141-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF MORNINGSTAR OPERATING LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 16, 17, 20, AND 21, T25N-R53E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE ED & PAUL 17-20 XE 1H WELL.

ORDER 164-2024

Docket No. 158-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.

2. Uriah Price, attorney, Dave Pearson, vice president of land, Erin Donovan, manager of geology, and Brandon Neely, vice president of asset development, appeared on behalf of MorningStar Operating LLC (MorningStar).

3. The lands described in the caption was designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 12-2024. Applicant has completed the Ed & Paul 17-20 XE 1H well as a producing well.

4. No protest to the application of MorningStar was made.

5. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 16, 17, 20, and 21, T25N-R53E, Richland County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that the Ed & Paul 17-20 XE 1H well is the authorized well for said permanent spacing unit.

BOARD ORDER NO. 164-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF MORNINGSTAR OPERATING LLC TO
POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT
COMPRISED OF ALL OF SECTIONS 16, 17, 20, AND 21, T25N-R53E,
RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL
AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE
FORKS FORMATION WITH RESPECT TO THE ED & PAUL 17-20 XE
1H WELL.

ORDER 165-2024

Docket No. 159-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.

2. Uriah Price, attorney, Dave Pearson, vice president of land, Erin Donovan, manager of geology, and Brandon Neely, vice president of asset development, appeared on behalf of MorningStar Operating LLC (MorningStar).

3. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 164-2024.

4. No protest to the application of MorningStar was made.

5. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-202, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all interests in the permanent spacing unit comprised of all of Sections 16, 17, 20, and 21, T25N-R53E, Richland, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

BOARD ORDER NO. 165-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF MORNINGSTAR OPERATING LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 12 AND 13, T25N-R53E AND ALL OF SECTIONS 7 AND 18, T25N-R54E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE FLIK 12-13 XE 1H WELL.

ORDER 166-2024

Docket No. 160-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Dave Pearson, vice president of land, Erin Donovan, manager of geology, and Brandon Neely, vice president of asset development, appeared on behalf of MorningStar Operating LLC (MorningStar).
3. The lands described in the caption was designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 13-2024. Applicant has completed the Flik 12-13 XE 1H well as a producing well.
4. No protest to the application of MorningStar was made.
5. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 166-2024

Order

IT IS THEREFORE ORDERED by the Board that all of Sections 12 and 13, T25N-R53E and all of Sections 7 and 18, T25N-R54E, Richland County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that the Flik 12-13 XE 1H well is the authorized well for said permanent spacing unit.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF MORNINGSTAR OPERATING LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 12 AND 13, T25N-R53E AND ALL OF SECTIONS 7 AND 18, T25N-R54E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION AND TO AUTHORIZE THE RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202(2), M.C.A., WITH RESPECT TO THE FLIK 12-13 XE 1H WELL.

ORDER 167-2024

Docket No. 161-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Uriah Price, attorney, Dave Pearson, vice president of land, Erin Donovan, manager of geology, and Brandon Neely, vice president of asset development, appeared on behalf of MorningStar Operating LLC (MorningStar).
3. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 166-2024.
4. The applicant has made a good-faith attempt to voluntarily pool the interests within the permanent spacing unit but has been unsuccessful.
5. All refusing owners were given proper and sufficient notice as required under § 82-11-202, MCA.
6. No protest to the application of MorningStar was made.
7. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-202, MCA have been met.

BOARD ORDER NO. 167-2024

Order

IT IS THEREFORE ORDERED by the Board that all interests in the permanent spacing unit comprised of all of Sections 12 and 13, T25N-R53E and all of Sections 7 and 18, T25N-R54E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with § 82-11-202(2), MCA, with respect to the Flik 12-13 XE 1H well.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE BIG SKY ENERGY, LLC APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO FILE REPORTS AND TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT INJECTION REPORTING. IN ACCORDANCE WITH BOARD POLICY THE AMOUNT DUE NOW IS \$140. THIS DOCKET WILL BE DISMISSED IF PAYMENT AND REPORTS ARE RECEIVED TEN DAYS PRIOR TO THE HEARING. FAILURE TO APPEAR AT THE SHOW CAUSE HEARING OR TO MAKE SUITABLE ARRANGEMENTS PRIOR TO SAID HEARING SUBJECTS BIG SKY ENERGY, LLC TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 168-2024

Docket No. 213-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Big Sky Energy, LLC (Big Sky).
3. Big Sky has not filed the delinquent injection reports or paid the outstanding fine of \$140 assessed delinquent reporting.
4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

BOARD ORDER NO. 168-2024

Order

IT IS THEREFORE ORDERED by the Board that Big Sky is fined \$1,000 for failure to appear at the December 5, 2024, public hearing.

IT IS FURTHER ORDERED that Big Sky is to appear at the February 20, 2025, public hearing and show-cause, if any it has, why additional penalties should not be assessed for failure to file delinquent injection reports and failure to pay the penalty assessed for delinquent reporting.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE POWDER BATTALION HOLDINGS LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, FOR WHY IT SHOULD NOT IMMEDIATELY PLUG AND ABANDON OR TRANSFER ITS WELLS IN BIG HORN COUNTY, MONTANA.

ORDER 169-2024

Docket No. 215-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Scotti Gray, attorney, appeared on behalf of Powder Battalion Holdings LLC (Powder Battalion).
3. Powder Battalion shut down its operations effective 12/23/2023 and anticipates the company to file for bankruptcy soon.
4. Powder Battalion requested until June 2025 to plug and abandon its two wells.
5. Powder Battalion has an outstanding fine in the amount of \$1,140. This fine amount includes a \$140 penalty for delinquent reporting and \$1,000 for failure to appear at the August 15, 2024, public hearing.
6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

BOARD ORDER NO. 169-2024

Order

IT IS THEREFORE ORDERED by the Board that Powder Battalion must have an approved plan to plug and abandon or begin the process to plug and abandon its MT State 9-42 36-06CK well, API # 25-003-21858, and Remington 10-43 05-07CK well, API # 25-003-22754, located in Big Horn County, Montana by January 16, 2025, hearing application deadline.

IT IS FURTHER ORDERED that following the January 16, 2025, deadline a penalty of \$250 per day be assessed until the abandonment plans have been received and approved.

IT IS FURTHER ORDERED by the Board that Docket 215-2024 is continued until the February 20, 2024, public hearing.

IT IS FURTHER ORDERED that Board staff has the authority to dismiss the docket if plugging operations have commenced prior to the February 20, 2024, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE SUMMIT GAS RESOURCES, INC. APPEAR AND SHOW CAUSE, IF ANY IT HAS, OR WHY IT SHOULD NOT IMMEDIATELY PLUG AND ABANDON OR TRANSFER ITS WELLS IN BIG HORN AND POWDER RIVER COUNTIES, MONTANA.

ORDER 170-2024

Docket No. 216-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Scotti Gray, attorney, appeared on behalf of Summit Gas Resources, Inc. (Summit).
3. Summit has filed for bankruptcy and it unable to plug and abandon its wells.
4. Summit has an outstanding fine in the amount of \$1,640. This fine amount includes a \$640 penalty for delinquent reporting and \$1,000 for failure to appear at the August 15, 2024, public hearing.
5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Summit must begin to plug and abandon its wells prior to the February 20, 2025, public hearing. Failure to begin to plug and abandon the wells may result in additional penalties or the forfeiture of the plugging and reclamation bonds in its entirety, as permitted by § 82-11-123(5), MCA.

BOARD ORDER NO. 170-2024

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE COALRIDGE DISPOSAL AND PETROLEUM, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO FILE REPORTS AND TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT PRODUCTION AND INJECTION REPORTING. IN ACCORDANCE WITH BOARD POLICY THE AMOUNT DUE NOW IS \$160. THIS DOCKET WILL BE DISMISSED IF PAYMENT AND REPORTS ARE RECEIVED TEN DAYS PRIOR TO THE HEARING. FAILURE TO APPEAR AT THE SHOW CAUSE HEARING OR TO MAKE SUITABLE ARRANGEMENTS PRIOR TO SAID HEARING SUBJECTS COALRIDGE DISPOSAL AND PETROLEUM, INC. TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 171-2024

Docket No. 163-2024

UPON THE BOARD'S OWN MOTION TO REQUIRE COALRIDGE DISPOSAL & PETROLEUM TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT IMMEDIATELY PLUG AND ABANDON ITS WELLS IN SHERIDAN COUNTY, MONTANA.

Docket No. 164-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper, and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Dockets 163-2024 and 164-2024 were combined for hearing.
3. No one appeared on behalf of Coalridge Disposal & Petroleum (Coalridge).
4. Coalridge has an outstanding fee in the amount of \$3,760. This fee amount includes a \$160 penalty for delinquent reporting, the annual \$200 injection fee due for each of its two permitted injection wells, the \$100 per well late fee for failure to submit its injection fee payment prior to the deadline, and the \$3,000 fine for failure to appear at the June 13, 2024, August 15, 2024, and October 10, 2024, public hearings.
5. There is an ongoing legal dispute concerning the determination of responsibility for the company.

BOARD ORDER NO. 171-2024

6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the respondent has not demonstrated that the requirements of Title 82, Chapter 11, MCA and ARM 36.22.101, et seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board that Coalridge is fined \$1,000 for failure to appear at the December 5, 2024, public hearing.

IT IS FURTHER ORDERED that Coalridge must appear at the February 20, 2025, public hearing and show-cause, if any it has, why it should not immediately plug and abandon its wells in Sheridan County, Montana, and why additional penalties should not be imposed for failure to file reports and to pay the administrative penalty assessed for delinquent production and injection reporting.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE D&A WATER DISPOSAL LLC APPEAR AND SHOW CAUSE, IF ANY IT HAS, 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 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.

ORDER 172-2024

Docket No. 166-2024

Report of the Board

The above entitled cause came on regularly for hearing on December 5, 2024, at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member W. John Tietz was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements, exhibits, and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of D&A Water Disposal LLC (D&A).
3. D&A has not demonstrated mechanical integrity of the BN 12-11 well.
4. Board Order 134-2024 established a \$100 per day fine beginning on November 1, 2024, for each day that D&A failed to remedy the field violations including mechanical integrity of the BN 12-11 well, the leaking tank, and contaminated soil at the BN 12-11 tank battery. At the time of hearing, D&A has not remedied the field violations and the daily fine totaled \$3,400.
5. D&A was previously assessed fines of \$1,000 for failure to maintain mechanical integrity on the BN 12-11 well and \$1,000 for failure to appear at the October 10, 2024, public hearing.
6. Staff recommended the BN 12-11 injection permit be revoked.
7. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

BOARD ORDER NO. 172-2024

Order

IT IS THEREFORE ORDERED by the Board that D&A's injection permit for the BN 12-11 saltwater disposal well, API # 25-025-21021, located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 11, T9N-R58E, Fallon County, Montana is revoked.

IT IS FURTHER ORDERED that D&A must remedy the field violations at the BN 12-11 well by the January 16, 2025, hearing application deadline or the \$100 daily fine will increase to a \$250 daily fine. The fine will remain in effect until compliance is confirmed by inspection.

IT IS FURTHER ORDERED that D&A is fined \$1,000 for failure to appear at the December 5, 2024, public hearing.

IT IS FURTHER ORDERED that D&A must appear at the February 20, 2025, public hearing and show-cause, if any it has, why it should not immediately plug and abandon its BN 12-11 saltwater disposal well, why additional penalties should not be assessed for failure to maintain mechanical integrity on this well, and to discuss its plan for the remaining inactive BN 11-11 oil well, API 25-025-21273, located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 11, T9N-R58E, Fallon County, Montana.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 5th day of December, 2024.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Steven Durrett, Chairman

Corey Welter, Vice-Chairman

Roy Brown, Board Member

Mac McDermott, Board Member

W. John Tietz, Board Member (absent)

Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist