

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

IN THE MATTER OF XOIL INC. FOR FAILURE TO
RECLAIM ITS WELLS IN ROOSEVELT AND SHERIDAN
COUNTIES, MONTANA.

ADMINISTRATIVE ORDER 1-A-2025

XOIL Inc. (XOIL) is the bonded operator of the Simard 26-16 well, API# 25-085-21430, located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 26, T28N-58E, in Roosevelt County, Montana and the Richardson-Hoven 1-11, API # 25-091-21511, located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 11, T34N-55E, in Sheridan County, Montana. Both wells have been plugged but reclamation remains.

On December 3, 2024, a certified letter was sent to XOIL to address the reclamation at the two well locations that are not in accordance with ARM 36.22.1307. The rule states that the owner of the well must restore the surface of the location to its previous grade and productive capability. A February 18, 2025, deadline was given to address the compliance issues, or this matter would be brought up at the Board Business meeting.

In a letter dated February 13, 2025, David Fee, president, stated that it has discontinued all operations as of 2025 and no longer has the personnel or assets necessary to perform reclamation efforts on the two wells.

IT IS THEREFORE ORDERED by the Board that XOIL must begin reclamation on its Simard 26-16 and Richardson-Hoven 1-11 wells prior to by the May 8, 2025, hearing application deadline.

IT IS FURTHER ORDERED that following the May 8, 2025, deadline, if no reclamation work has begun, a penalty of \$250 per day be assessed until the above-mentioned work has commenced.

IT IS FURTHER ORDERED that XOIL is to appear at the June 12, 2025, public hearing and show-cause, if any it has, why additional penalties should not be assessed for failure to restore the well locations.

Dated this 19th day of February, 2025

Montana Board of Oil and Gas Conservation

Benjamin Jones, Administrator