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

IN THE MATTER OF BRAINSTORM ENERGY, INC. FAILURE TO MEET THE SUNDRY NOTICE CONDITIONS OF APPROVAL REQUIREMENTS FOR THREE WELLS IN TOOLE COUNTY, MONTANA.

ADMINISTRATIVE ORDER 11-A-2025

Brainstorm Energy, Inc. (Brainstorm) appeared at the October 5, 2023, public hearing for a change of operator request that was filed with the Board to transfer 26 wells (17 fee wells and 9 federal wells) from Enneberg Oil & Gas to Brainstorm. At that hearing, Brainstorm testified that it identified two wells it planned to plug in 2024.

Subsequent to that hearing, Brainstorm filed Sundry Notices to plug and abandon the following three wells in Toole County, Montana. The Conditions of Approval for those Sundry Notices required that the field inspector be notified at least 24 hours in advance of the start of plugging operations.

Goeddertz 12, API # 25-101-06080, located in the SE¹/₄NE¹/₄SW¹/₄ of Section 23, T35N-R3W Goeddertz 18, API # 25-101-06087, located in the SE¹/₄NE¹/₄SW¹/₄ of Section 23, T35N-R3W Goeddertz 21, API # 25-101-10187, located in the SE¹/₄SE¹/₄NW¹/₄ of Section 23, T35N-R3W

On August 1, 2024, the field inspector discovered plugging operations had begun at the three Goeddertz wells without notification from Brainstorm. At the Goeddertz 21 well location, Brainstorm had excavated approximately 20 feet, removed about 11 feet of production casing, and left the excavation area filled with oil and water. At the Goeddertz 12 well location, Brainstorm excavated approximately 4 feet deep around the well casing and left the location with casing and tubing head open to the atmosphere. At the Goeddertz 18 well location, Brainstorm pulled out the seven-inch casing collar that exists two feet below the surface, with the fluid level five feet below the surface in casing.

On January 6, 2025, the field inspector returned to the Goeddertz 12 and Goeddertz 18 well locations and on April 22, 2025, the field inspector returned to the Goeddertz 21 well location and found that each remained in the same unresolved condition, with partially disturbed sites and uncompleted plugging operations.

On July 1, 2025, a certified letter was sent to Brainstorm advising the matter would be discussed at the August 13, 2025, business meeting regarding the operator's failure to properly plug the three wells. A return receipt was received by staff, but Brainstorm provided no response.

On July 29, 2025, the field inspector returned to the Goedertz 21 well location, which presented the most significant compliance concerns, and confirmed the violation remained unresolved.

IT IS THEREFORE ORDERED by the Board that Brainstorm must properly plug and abandon the three wells in accordance with the approved Sundry Notices and the Conditions of Approval prior to the November 6, 2025, hearing application deadline. Failure to do so will require Brainstorm to appear and show cause at the December 11, 2025, public hearing, if any it has, why additional penalties should not be assessed for failure to properly complete plugging and abandonment operations in accordance with the Sundry Notice Conditions of Approval.

Dated this 13 th day of August, 2025
Montana Board of Oil and Gas Conservation

Benjamin Jones, Administrator