

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
BOARD OF OIL AND GAS CONSERVATION
MINUTES OF THE MEETING AND PUBLIC HEARING
December 10, 11, & 12, 2025

CALL TO ORDER

The regular business meeting of the Montana Board of Oil and Gas Conservation was called to order by Chairman Steven Durrett at 2:00 p.m., Wednesday, December 10, 2025, at its office at 2535 St. Johns Avenue in Billings, Montana. Board members present were Chairman Steven Durrett, Roy Brown, Mac McDermott, Barbara Skelton, John Tietz, Corey Welter, and Jeff Wivholm. Staff present was Ben Jones, Ben Davis, John Gizicki, Rob Stutz, Jennifer Breton, Scot Bloomfield, and Allison Young Swallow.

PUBLIC COMMENT ON AGENDA AND NON-AGENDA ITEMS

No comments were made.

APPROVAL OF MINUTES

A motion was made by Mr. McDermott, seconded by Mr. Brown and unanimously passed, to approve the minutes of the October 8, 2025, business meeting.

LONGEVITY & SERVICE AWARDS

Chairman Durrett presented certificates and longevity pins to the following individuals for their years of service to the state:

Ben Davis, 5 years
Jennifer Breton, 10 years

ADOPTION OF THE AMENDMENT OF ARM 36.22.1242 PERTAINING TO REPORTS BY PRODUCERS, TAX REPORT, AND TAX RATE AND THE REDUCTION OF THE PRIVILEGE AND LICENSE TAX

There was no request for a hearing and no public comments were made regarding the lowering of the privilege and license tax (P&L tax) tax rate from 0.22% to 0.18%. The P&L tax adoption notice will be published on December 19, 2025, and the rule effective date is April 1, 2026.

FINANCIAL REPORT

Mrs. Breton discussed the financial statement, attached as Exhibit 1.

BOND SUMMARY & INCIDENT REPORT

Mr. Jones presented the bond report, attached as Exhibit 2.

There were no incidents reported since the last meeting.

DOCKET SUMMARY

Mr. Jones presented the docket summary, attached as Exhibit 3.

GAS FLARING EXCEPTIONS

Mr. Jones discussed the gas flaring policy, attached as Exhibit 4.

Phoenix Operating LLC (Phoenix) was previously found to be flaring above the allowable limit and was given a one-time reminder of the gas flaring rule and provided a copy of the associated enforcement policy. In subsequent months, staff again determined that another Phoenix well was flaring in excess of the limit. As a result, a fine was issued in the amount of \$250 per the flaring policy. Phoenix has until January 8, 2026 to pay the fine and submit the exception request or the matter will be docketed for the February 12, 2026 hearing.

INACTIVE WELL REVIEW

Mr. Davis reviewed a list of inactive well operators and their current statuses, attached as Exhibit 5.

Mr. Jones noted that the three companies associated with the Well Done Foundation are on the list with 100% of their wells shut-in. These wells could have been plugged with the initial orphan well grant funds.

ORPHAN WELL AND FEDERAL GRANT UPDATE

The Department of Interior (DOI) granted an extension of the grant performance period for another year. This extension will allow time for final reclamation for the remaining four well locations that still require surface reclamation.

The DOI is not currently accepting new grant applications, but staff will continue to monitor the formula and matching grants for potential future funding.

At the August meeting, the Board authorized staff to expend funds from the damage mitigation account to plug and clean up the BN 12-11 SWD and BN 11-11 wells that were orphaned by D&A Water Disposal LLC. Mr. Jones has put together a Request for Proposal for these wells and it is currently being reviewed by the procurement office in Helena.

Mr. Jones had a discussion with the Lieutenant Governor regarding the Class VI grant. Mr. Jones has concerns about the grant, as Montana has received little to no support. There are no pending projects at this

time and wanted to know if it was worth our time and resources to continue to pursue a Class VI UIC primacy program. Mr. Jones received direction to hold off on expending the grant funds until further notice from the Governor's office.

To date, only \$8,500 of the \$1.9 million has been expended from the grant.

STAFF REPORTS

Ben Jones

Mr. Jones is the Assistant Representative to Governor Gianforte for the Interstate Oil and Gas Compact Commission (IOGCC) and in that role has served on the IOGCC Steering Committee for the past three years. With his term on that committee coming to an end, he was recently appointed to serve on the IOGCC finance committee.

The hearing room audio is going on 15 years. Mr. Jones received a quote from a local audio/visual company to upgrade the system, and it was in the amount of \$95,000. The Board approved upgrading the audio system.

Mr. Jones will work with the procurement office to ensure the proper procurement method is utilized to secure additional bids.

John Gizicki

Mr. Gizicki brought to the Board's attention Grassy Butte LLC (Grassy Butte) and its failure to have a well identification sign for its Kesterson 6 well, API # 25-087-21498. The overview is attached as Exhibit 6.

Mr. Gizicki recommended that Grassy Butte be required to post a well identification sign at the Kesterson 6 well location by the January 8, 2025, hearing application deadline or be subject to a \$25 fine for each day after the deadline that the violation remains unresolved. The fine will remain in effect until compliance is confirmed by inspection. Failure to come into compliance by the January 8, 2026, deadline will result in Grassy Butte being ordered to show cause at the February 12, 2026, public hearing, as to why additional penalties should not be imposed for failure to remedy the field violation. Board staff has the authority to dismiss the docket if the violation is resolved and any fine assessed has been paid.

Motion: Mr. Welter made the motion to approve the recommendation. Mrs. Skelton seconded, and the motion passed unanimously.

The Board issued an Administrative Order for Grassy Butte, attached as Exhibit 7.

Montana hosted the EPA region 8 annual directors meeting in October. This was the first time Montana hosted in nineteen years. There were representatives from North Dakota, Wyoming, Colorado, Utah and a few EPA representatives were able to attend remotely.

Ben Davis

Mr. Davis provided the Board an update on well activity, attached as Exhibit 8.

OTHER BUSINESS

No other business discussed.

PUBLIC HEARING

The Board reconvened on Thursday, December 11, 2025 and Friday, December 12, 2025, at 9:00 a.m. at the Board's hearing room at its office at 2535 St. Johns Avenue in Billings, Montana, to hear the matters docketed for public hearing. As a result of the discussion, testimony, technical data, and other evidence placed before the Board, the following action was taken in each matter.

Docket 359-2025 – A motion was made by Mr. Brown, seconded by Mr. Wivholm and unanimously passed, that staff approve Kraken Oil & Gas LLC's application to drill a horizontal Bakken/Three Forks Formation well in Sections 1, 12, 13, and 24, T27N-R56E, Richland and Roosevelt Counties, Montana. This is set forth in Board Order 304-2025.

Docket 360-2025 – A motion was made by Mr. Welter, seconded by Mr. Tietz and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 292-2025.

Docket 361-2025 – A motion was made by Mr. Welter, seconded by Mr. Tietz and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 293-2025.

Docket 362-2025 – A motion was made by Mr. Tietz, seconded by Mr. Welter and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 294-2025.

Docket 363-2025 – A motion was made by Mr. Tietz, seconded by Mr. Welter and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 295-2025.

Docket 364-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Brown and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 296-2025.

Docket 365-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Brown and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 297-2025.

Docket 366-2025 — A motion was made by Mr. Wivholm, seconded by Mr. Brown and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 298-2025.

Docket 367-2025 — A motion was made by Mr. Wivholm, seconded by Mr. Brown and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 299-2025.

Docket 368-2025 – A motion was made by McDermott, seconded by Mr. Welter and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 300-2025.

Docket 369-2025 – A motion was made by McDermott, seconded by Mr. Welter and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 301-2025.

Docket 370-2025 – A motion was made by McDermott, seconded by Mr. Welter and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 302-2025.

Docket 371-2025 – A motion was made by McDermott, seconded by Mr. Welter and unanimously passed, to approve the application of Kraken Oil & Gas LLC as set forth in Board Order 303-2025.

Docket 372-2025 – The application of Kraken Oil & Gas LLC was withdrawn.

Docket 373-2025 – The application of Kraken Oil & Gas LLC was withdrawn.

Docket 374-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 374-2025, Heritage Energy Operating, LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 310-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 375-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 375-2025, Heritage Energy Operating, LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 312-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 376-2025 / 5-2026 FED – A motion was made by Mr. Welter, seconded by Mr. Brown and unanimously passed, to approve the application of Oasis Petroleum North America LLC as set forth in Board Order 263-2025.

Docket 377-2025 / 6-2026 FED – A motion was made by Mr. Welter, seconded by Mr. Brown and unanimously passed, to approve the application of Oasis Petroleum North America LLC as set forth in Board Order 264-2025.

Docket 378-2025 / 7-2026 FED – The application of Oasis Petroleum North America LLC was withdrawn.

Docket 379-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and unanimously passed, to approve the application of Oasis Petroleum North America LLC as set forth in Board Order 265-2025.

Docket 380-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and unanimously passed, to approve the application of Oasis Petroleum North America LLC as set forth in Board Order 266-2025.

Docket 381-2025 / 8-2026 FED – A motion was made by Mr. Welter, seconded by Mr. Brown and unanimously passed, to approve the application of Oasis Petroleum North America LLC as set forth in Board Order 267-2025.

Docket 382-2025 – The application of Heritage Energy Operating, LLC was withdrawn.

Docket 383-2025 – The application of Heritage Energy Operating, LLC was withdrawn.

Docket 384-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 384-2025, Heritage Energy Operating, LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 309-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 385-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 385-2025, Heritage Energy Operating, LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 311-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 386-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 386-2025, Heritage Energy Operating, LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 313-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 387-2025 – A motion was made by Mr. Wivholm, seconded by Mrs. Skelton and unanimously passed, to approve the application of Baldwin Lynch Energy Corporation as set forth in Board Order 268-2025.

Docket 388-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 269-2025.

Docket 389-2025 – A motion was made by Mr. Wivholm, seconded by Mrs. Skelton and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 270-2025.

Docket 390-2025 – A motion was made by Mr. Brown, seconded by Mr. Welter and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 271-2025.

Docket 391-2025 – A motion was made by Mr. Brown, seconded by Mr. Welter and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 272-2025.

Docket 392-2025 – A motion was made by Mr. Brown, seconded by Mr. Wivholm and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 273-2025.

Docket 393-2025 – A motion was made by Mr. Brown, seconded by Mr. Wivholm and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 274-2025.

Docket 394-2025 – A motion was made by Mr. Welter, seconded by Mr. Wivholm and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 275-2025.

Docket 395-2025 – A motion was made by Mrs. Skelton, seconded by Mr. Welter and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 276-2025.

Docket 396-2025 – A motion was made by Mr. Welter, seconded by Mrs. Skelton and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 277-2025.

Docket 397-2025 – A motion was made by Mr. Brown, seconded by Mr. Wivholm and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 278-2025.

Docket 398-2025 – A motion was made by Mr. Tietz, seconded by Mr. Welter and unanimously passed, to approve the application of White Rock Oil & Gas, LLC as set forth in Board Order 279-2025.

Docket 399-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Tietz and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 282-2025.

Docket 400-2025 – A motion was made by Mr. Welter, seconded by Mrs. Skelton and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 283-2025.

Docket 401-2025 – A motion was made by Mr. Welter, seconded by Mr. Wivholm and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 284-2025.

Docket 402-2025 – A motion was made by Mr. Welter, seconded by Mr. Tietz and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 280-2025.

Docket 403-2025 – A motion was made by Mrs. Skelton, seconded by Mr. Welter and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 281-2025.

Docket 404-2025 – The application of MorningStar Operating LLC was withdrawn.

Docket 405-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Brown and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 285-2025.

Docket 406-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Brown and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 286-2025.

Docket 407-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Brown and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 287-2025.

Docket 408-2025 – The application of MorningStar Operating LLC was withdrawn.

Docket 409-2025 – A motion was made by Mrs. Skelton, seconded by Mr. Welter and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 288-2025.

Docket 410-2025 – A motion was made by Mrs. Skelton, seconded by Mr. Welter and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 289-2025.

Docket 411-2025 – A motion was made by Mr. Welter, seconded by Mr. Tietz and unanimously passed, to continue Docket 411-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing and that this docket can be administratively approved if Phoenix provides a letter of support from Black Dog. This is set forth in Board Order 332-2025.

Docket 412-2025 – A motion was made by Mr. Welter, seconded by Mr. Tietz and unanimously passed, to continue Docket 412-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing and that this docket can be administratively approved if Phoenix provides a letter of support from Black Dog. This is set forth in Board Order 332-2025.

Docket 413-2025 / 9-2026 FED – A motion was made by Mr. Welter, seconded by Mr. Tietz and unanimously passed, to continue Docket 413-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing and that this docket can be administratively approved if Phoenix provides a letter of support from Black Dog. This is set forth in Board Order 333-2025.

Docket 414-2025 – A motion was made by Mr. Welter, seconded by Mr. Tietz and unanimously passed, to continue Docket 414-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing and that this docket can be administratively approved if Phoenix provides a letter of support from Black Dog. This is set forth in Board Order 333-2025.

Docket 415-2025 / 10-2026 FED – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 416-2025 / 11-2026 FED – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 417-2025 / 12-2026 FED – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 418-2025 / 13-2026 FED – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 419-2025 / 14-2026 FED – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 420-2025 / 15-2026 FED – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 421-2025 – A motion was made by Mr. Wivholm to deny the application of Phoenix Operating LLC. The motion failed.

A second motion was made by Mr. Welter, seconded by Mr. Brown and passed, to approve the application of Phoenix Operating LLC as set forth in Board Order 322-2025. Mr. Wivholm opposed the motion.

Docket 422-2025 – A motion was made by Mr. Wivholm to deny the application of Phoenix Operating LLC. The motion failed.

A second motion was made by Mr. Welter, seconded by Mr. Brown and passed, to approve the application of Phoenix Operating LLC as set forth in Board Order 323-2025. Mr. Wivholm opposed the motion.

Docket 423-2025 – The application of Phoenix Operating LLC was continued to the February 2026 hearing.

Docket 424-2025 – The application of Phoenix Operating LLC was continued to the February 2026 hearing.

Docket 425-2025 – A motion was made by Mr. Welter, seconded by Mr. McDermott and unanimously passed, to approve the application of Phoenix Operating LLC as set forth in Board Order 328-2025.

Docket 426-2025 – A motion was made by Mr. Welter, seconded by Mr. McDermott and unanimously passed, to approve the application of Phoenix Operating LLC as set forth in Board Order 329-2025.

Docket 427-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 428-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 429-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 430-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 431-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 432-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 433-2025 – A motion was made by Mr. McDermott, seconded by Mr. Wivholm and unanimously passed, to approve the application of Phoenix Operating LLC as set forth in Board Order 326-2025.

Docket 434-2025 – A motion was made by Mr. McDermott, seconded by Mr. Wivholm and unanimously passed, to approve the application of Phoenix Operating LLC as set forth in Board Order 327-2025.

Docket 435-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 435-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 315-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 436-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 436-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 315-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 437-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 437-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 316-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 438-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 438-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 316-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 439-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 439-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 317-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 440-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 440-2025, Phoenix Operating LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 317-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 441-2025 – A motion was made by Mr. Tietz, seconded by Mr. Welter and unanimously passed, to approve the application of Phoenix Operating LLC as set forth in Board Order 330-2025.

Docket 442-2025 – A motion was made by Mr. Tietz, seconded by Mr. Welter and unanimously passed, to approve the application of Phoenix Operating LLC as set forth in Board Order 331-2025.

Docket 443-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 444-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 445-2025 – A motion was made by Mr. Tietz, seconded by Mr. Brown and unanimously passed, to deny the application of Phoenix Operating LLC as set forth in Board Order 307-2025.

Docket 446-2025 – A motion was made by Mr. Tietz, seconded by Mr. Brown and unanimously passed, to deny the application of Phoenix Operating LLC as set forth in Board Order 307-2025.

Docket 447-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 448-2025 – The application of Phoenix Operating LLC was continued to the June 2026 hearing.

Docket 449-2025 – A motion was made by Mr. Tietz, seconded by Mr. Brown and unanimously passed, to deny the application of Phoenix Operating LLC as set forth in Board Order 308-2025.

Docket 450-2025 – A motion was made by Mr. Tietz, seconded by Mr. Brown and unanimously passed, to deny the application of Phoenix Operating LLC as set forth in Board Order 308-2025.

Docket 451-2025 – The application of Continental Resources Inc was withdrawn.

Docket 452-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Welter and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 335-2025.

Docket 453-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Welter and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 336-2025.

Docket 454-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Welter and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 337-2025.

Docket 455-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Welter and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 338-2025.

Docket 456-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Welter and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 339-2025.

Docket 457-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Welter and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 340-2025.

Docket 458-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Welter and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 341-2025.

Docket 459-2025 – A motion was made by Mr. Wivholm, seconded by Mr. Welter and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 342-2025.

Docket 460-2025 – The application of Continental Resources Inc was continued to the February 2026 hearing.

Docket 461-2025 – The application of Continental Resources Inc was continued to the February 2026 hearing.

Docket 462-2025 – A motion was made by Mr. McDermott, seconded by Mr. Welter and unanimously passed, to continue Docket 462-2025, Continental Resources Inc, to the February 12, 2026, public hearing. This is set forth in Board Order 334-2025.

Docket 463-2025 – A motion was made by Mr. McDermott, seconded by Mr. Welter and unanimously passed, to continue Docket 463-2025, Continental Resources Inc, to the February 12, 2026, public hearing. This is set forth in Board Order 334-2025.

Docket 464-2025 – A motion was made by Mr. Welter, seconded by Mrs. Skelton and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 343-2025.

Docket 465-2025 – A motion was made by Mr. Brown, seconded by Mr. Wivholm and unanimously passed, that staff approve Kraken Oil & Gas LLC's application to drill a horizontal Bakken/Three Forks Formation well in Sections 18, 19, 30, and 31, T28N-R57E, Roosevelt County, Montana. This is set forth in Board Order 305-2025.

Docket 466-2025 – A motion was made by Mr. Brown, seconded by Mr. Wivholm and unanimously passed, that staff approve Kraken Oil & Gas LLC's application to drill a horizontal Bakken/Three Forks Formation well in Sections 13, 24, 25, and 36, T28N-R56E, Roosevelt County, Montana. This is set forth in Board Order 306-2025.

Docket 467-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 467-2025, Heritage Energy Operating, LLC, to the February 12, 2026, public hearing. This is set forth in Board Order 314-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 468-2025 – A motion was made by Mr. McDermott, seconded by Mr. Welter and unanimously passed, that staff provide the Board an update the June 10, 2026, business meeting of WY Basin Operating LLC's operations. This is set forth in Board Order 346-2025.

Docket 109-2025 – The application of Kraken Oil & Gas LLC was continued to the February 2026 hearing.

Docket 110-2025 – The application of Kraken Oil & Gas LLC was continued to the February 2026 hearing.

Docket 277-2025 – The application of Coyote Resources LLC was withdrawn.

Docket 278-2025 – The application of Coyote Resources LLC was withdrawn.

Docket 279-2025 – The application of Coyote Resources LLC was withdrawn.

Docket 280-2025 – The application of Coyote Resources LLC was withdrawn.

Docket 306-2025 – The application of Kraken Oil & Gas LLC was withdrawn.

Docket 307-2025 – The application of Kraken Oil & Gas LLC was withdrawn.

Docket 308-2025 – The application of Kraken Oil & Gas LLC was withdrawn.

Docket 309-2025 – The application of Kraken Oil & Gas LLC was withdrawn.

Docket 310-2025 – The application of Kraken Oil & Gas LLC was continued to the February 2026 hearing.

Docket 311-2025 – The application of Kraken Oil & Gas LLC was continued to the February 2026 hearing.

Docket 312-2025 / 1-2026 FED – A motion was made by Mr. Wivholm to approve the application of Kraken Oil & Gas LLC. The motion failed.

A second motion was made by Mr. Welter, seconded by Mr. Brown and passed, to deny the application of Kraken Oil & Gas LLC as set forth in Board Order 321-2025. Mr. Wivholm opposed the motion.

Docket 313-2025 / 2-2026 FED – A motion was made by Mr. Wivholm to approve the application of Kraken Oil & Gas LLC. The motion failed.

A second motion was made by Mr. Welter, seconded by Mr. Brown and passed, to deny the application of Kraken Oil & Gas LLC as set forth in Board Order 321-2025. Mr. Wivholm opposed the motion.

Docket 316-2025 – The application of Kraken Oil & Gas LLC was continued to the February 2026 hearing.

Docket 317-2025 – The application of Kraken Oil & Gas LLC was withdrawn.

Docket 318-2025 – The application of Kraken Oil & Gas LLC was withdrawn.

Docket 319-2025 – The application of Continental Resources Inc was withdrawn.

Docket 320-2025 – The application of Continental Resources Inc was withdrawn.

Docket 323-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 323-2025, Continental Resources Inc, to the February 12, 2026, public hearing. This is set forth in Board Order 318-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 324-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 324-2025, Continental Resources Inc, to the February 12, 2026, public hearing. This is set forth in Board Order 318-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 325-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 325-2025, Continental Resources Inc, to the February 12, 2026, public hearing. This is set forth in Board Order 319-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 326-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 326-2025, Continental Resources Inc, to the February 12, 2026, public hearing. This is set forth in Board Order 319-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 327-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 327-2025, Continental Resources Inc, to the February 12, 2026, public hearing. This is set forth in Board Order 320-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 328-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and passed, to continue Docket 328-2025, Continental Resources Inc, to the February 12, 2026, public hearing. This is set forth in Board Order 320-2025. Mr. Tietz and Mr. Wivholm opposed the motion.

Docket 329-2025 – A motion was made by Mr. McDermott, seconded by Mrs. Skelton and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 324-2025.

Docket 330-2025 – A motion was made by Mr. McDermott, seconded by Mrs. Skelton and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 325-2025.

Docket 331-2025 – A motion was made by Mr. Welter, seconded by Mr. Tietz and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 344-2025.

Docket 332-2025 – A motion was made by Mr. Welter, seconded by Mr. Tietz and unanimously passed, to approve the application of Continental Resources Inc as set forth in Board Order 345-2025.

Docket 337-2025 – The application of Phoenix Operating LLC was continued to the February 2026 hearing.

Docket 338-2025 – The application of Phoenix Operating LLC was continued to the February 2026 hearing.

Docket 339-2025 – The application of Phoenix Operating LLC was continued to the February 2026 hearing.

Docket 340-2025 – The application of Phoenix Operating LLC was continued to the February 2026 hearing.

Docket 344-2025 – A motion was made by Mr. Welter, seconded by Mrs. Skelton and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 290-2025.

Docket 345-2025 – A motion was made by Mr. Brown, seconded by Mr. Wivholm and unanimously passed, to approve the application of MorningStar Operating LLC as set forth in Board Order 291-2025.

Docket 352-2025 – The application of West Shore Energy LLC was withdrawn.

Docket 353-2025 – A motion was made by Mr. Tietz, seconded by Mr. Welter and unanimously passed that staff is authorized to proceed with administrative review and approval of the change of operator request from Siege Environmental Services LLC to Black Gold Energy Resource Development LLC for the Indian Mound 1 commercial disposal well, API # 25-083-21377. This is set forth in Board Order 356-2025.

Docket 469-2025 – A motion was made by Mr. Tietz, seconded by Mr. Brown and unanimously passed that Docket 469-2025, Bluebird Energy, LLC, is continued until the February 12, 2026, public hearing. Board staff has the authority to dismiss the docket if compliance is achieved and confirmed by inspection. This is set forth in Board Order 347-2025.

Docket 470-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and unanimously passed that Brainstorm Energy, Inc must plug and abandon its Goeddertz 12, Goeddertz 18, and Goeddertz 21 wells in Toole County, Montana by March 5, 2026, hearing application deadline. Following the March 5, 2026, deadline a penalty of \$100 per day be assessed until compliance is achieved and confirmed by inspection. Docket 470-2025 is continued until the April 9, 2026, public hearing. Board staff has the authority to dismiss the docket if the Goeddertz 12, Goeddertz 18, and Goeddertz 21 wells have been plugged and abandoned prior to the April 9, 2026, public hearing and no fine has been issued for failure to complete plugging operations prior to March 5, 2026. This is set forth in Board Order 348-2025.

Docket 471-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and unanimously passed the plugging and reclamation bonds for Hesla Oil, LLC are forfeited. This is set forth in Board Order 349-2025.

Docket 472-2025 – A motion was made by Mr. Tietz, seconded by Mr. Welter and unanimously passed that Docket 472-2025, Lustre Salt Water Disp, Vernon R. Justice DbA, is continued until the April 9, 2026, public hearing. Board staff has the authority to dismiss the docket if compliance is achieved and confirmed by inspection. This is set forth in Board Order 350-2025.

Docket 473-2025 – A motion was made by Mr. Welter, seconded by Mrs. Skelton and unanimously passed that McOil Montana One LLC’s wells are shut-in for illegal production per ARM 36.22.1245. McOil must begin to plug and abandon or transfer its wells in Toole County, Montana, prior to February 12, 2026, public hearing. Failure to begin to plug and abandon or transfer the wells may result in additional penalties or the forfeiture of the plugging and reclamation bond in its entirety, as permitted by § 82-11-123(5), MCA. This is set forth in Board Order 351-2025.

Docket 269-2025 – A motion was made by Mr. Tietz, seconded by Mrs. Skelton and unanimously passed that Docket 269-2025, D90 Energy LLC, is continued until the June 11, 2026, public hearing. This is set forth in Board Order 352-2025.

Docket 275-2025 – A motion was made by Mrs. Skelton, seconded by Mr. Brown and unanimously passed that Yellowstone Petroleums, Inc must plug and abandon the Essex-Thompson 1 and Myhre 3-25 wells prior to the April 9, 2026, public hearing. Board staff has the authority to dismiss the docket if the wells have been plugged and abandoned prior to April 9, 2026. Docket 275-2025 is continued until April 9, 2026, public hearing. This is set forth in Board Order 353-2025.

Docket 357-2025 – A motion was made by Mr. Welter, seconded by Mr. Brown and unanimously passed that Docket 357-2025, Montana Energy Company, LLC, is continued until the February 12, 2026, public hearing. This is set forth in Board Order 354-2025.

Docket 358-2025 – A motion was made by Mr. Welter, seconded by Mr. Wivholm and unanimously passed that the plugging and reclamation bond for Powder Battalion Holdings, LLC is forfeited. This is set forth in Board Order 355-2025.

NEXT MEETING

The next business meeting of the Board will be Wednesday, February 11, 2026, at 2:00 p.m. at the Board's hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. The next regular public hearing will be Thursday, February 12, 2026, beginning at 9:00 a.m. at the Board's hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. The filing deadline for the February 12th public hearing is January 8, 2026.

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
Barbara Skelton, Board Member
W. John Tietz, Board Member
Jeff Wivholm, Board Member

ATTEST:

Jennifer Breton, Program Specialist