

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

IN THE MATTER OF GRASSY BUTTE LLC FOR FAILURE
TO PROPERLY MAINTAIN ITS KESTERSON 6 WELL (API
25-087-21498) IN ROSEBUD COUNTY, MONTANA, IN
ACCORDANCE WITH ARM 36.22.1202.

ADMINISTRATIVE ORDER 16-A-2025

Grassy Butte LLC (Grassy Butte) is the operator of the Kesterson 6 well, API # 25-087-21498, located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 34, T10N, R33E, Rosebud County, Montana. This well does not have a well identification sign and is in violation of ARM 36.22.1202 that states the owner shall permanently mark all wells, producing properties, and tanks in a conspicuous place with his name, lease name, and, as to a well, number of the well and legal description of the well.

On September 3, 2025, a certified letter was sent to Grassy Butte with a December 10, 2025, deadline to address the compliance issue, or this matter would be brought up at the Board Business meeting. The letter was returned unclaimed.

On November 11, 2025, a copy of the September 3, 2025, certified letter was emailed to Grassy Butte's managing member Joel Young. No response was received.

On December 10, 2025, staff contacted Joel Young via telephone and informed him that, due to Grassy Butte's failure to install a well sign, the matter would be addressed at the Board Business meeting.

As of December 10th, the compliance issue remained outstanding.

IT WAS THEREFORE ORDERED by the Board that Grassy Butte must post a well identification sign at the Kesterson 6 well location by the January 8, 2025, hearing application deadline or is 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.

IT WAS FURTHER ORDERED that 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.

IT WAS FURTHER ORDERED that Board staff has the authority to dismiss the docket if the violation is resolved and any fine assessed has been paid.

Dated this 10th day of December, 2025

Montana Board of Oil and Gas Conservation

Benjamin Jones, Administrator