

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

IN THE MATTER OF THE REQUEST OF REHEARING OF  
DOCKETS 312-2025/1-2026 FED, 313-2025/ 2-2026 FED, 421-  
2025, AND 422-2025 BY KRAKEN OIL & GAS LLC IN  
ACCORDANCE WITH SECTION 82-11-143, M.C.A.

ADMINISTRATIVE ORDER 1-A-2026

At the Board's December 11, 2025, public hearing, Kraken Oil & Gas LLC's (Kraken) proposed a temporary spacing unit in a lay-down (east-west) configuration comprised of all of Section 36, T28N-R55E and all of Sections 31, 32, and 33, T28N-R56E, in Roosevelt County, Montana. Phoenix Operating LLC (Phoenix) proposed a temporary spacing unit in a stand-up (north-south) configuration comprised of all of Sections 16, 21, 28, and 33, T28N-R56E. The Board heard testimony and received exhibits regarding the competing development proposals, including well orientation, working-interest ownership, township offsets, legacy wells, and the lack of direct offset production data for four-mile wells in the immediate area. Following consideration of the evidence and argument presented, the Board denied Kraken's applications and approved Phoenix's applications.

Following that hearing, Kraken filed a rehearing request of Dockets 312-2025/1-2026 FED, 313-2025/ 2-2026 FED, 421-2025, and 422-2025 pursuant to § 82-11-143, MCA. Kraken asserted that an exhibit submitted by Phoenix comparing the economics of stand-up and lay-down spacing configurations was unclear and insufficiently explained at the hearing.

At the subsequent meeting, Uriah Price, attorney, appeared on behalf of Kraken in support of the rehearing request and Wendy Johnson, attorney, appeared on behalf of Phoenix in opposition. The Board considered the arguments presented and the record of the prior hearing.

The Board determined that Kraken did not demonstrate newly discovered evidence, material error, or other grounds sufficient to warrant rehearing under § 82-11-143, MCA. A motion was made and passed to deny the request for rehearing.

IT WAS THEREFORE ORDERED by the Board that the request to rehear Dockets 312-2025/1-2026 FED, 313-2025/ 2-2026 FED, 421-2025, and 422-2025 was denied.

Dated this 11<sup>th</sup> day of February, 2026

Montana Board of Oil and Gas Conservation

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Benjamin Jones, Administrator