

MONTANA BOARD OF OIL AND GAS CONSERVATION

Narrative for Performance Report Federal FY 2023 Q2

Bipartisan Infrastructure Law Sec. 40601 Orphaned Well Program

The purpose of this narrative is to provide required details to support the attached data report spreadsheet.

FUNDS OBLIGATED TO CONTRACT

237 orphaned wells were identified by the Montana Board of Oil and Gas Conservation (Board) at the time of receiving the federal grant award. These wells were separated out into 13 groups based on well type and geographic location and an invitation for bid (IFB) was posted on the State solicitation site for each group. All 13 IFB's had multiple bidders and were carefully evaluated by staff prior to the contracts being awarded. A summary of the groupings and the final awarded contract value is below.

Project Grouping	Wells	Contract Signed	Cost per Well
CBM	9	\$253,000	\$28,111
Glendive	7	\$788,656	\$112,665
Plentywood	14	\$3,163,756	\$225,983
Plentywood West	6	\$1,393,884	\$232,314
Roundup A	34	\$3,396,887	\$102,936
Roundup B	13	\$131,660	\$10,128
Roundup C	18	\$241,275	\$13,404
Shelby 1	61	\$561,406	\$9,203
Shelby 2	36	\$508,911	\$23,132
Shelby 3	34	\$303,156	\$9,474
Shelby 4	12	\$209,000	\$17,417
ShelbyH2S	3	\$182,025	\$60,675
Sidney	7	\$1,796,634	\$256,662
Total	237	\$12,930,250	\$84,777

All of the contracts were signed prior to December 30, 2022, the end of the obligation period defined in award terms #4 and #5. The initial contract terms began when signed and go until September 30, 2025.

ORPHAN WELLS PLUGGED, REMEDIATED, AND RECLAIMED

19 orphaned wells were plugged in the first quarter of 2023. The list of wells plugged, and costs expended to date are listed below. Reclamation and seeding will be done later in the spring as weather conditions allow. P&A witnessing inspection reports are also attached to this narrative for the wells listed below.

API_WellNo	Well_Nm	County	Well_Typ	DTD	PB_MD	Location	Wh_Sec	Date Plugged	FundAmnt
25065054430000	State 1	Musselshell	EOR	3850	3812	11N-30E	16	3/28/2023	\$61,135.90
25065054770000	Ragged Point 5-6	Musselshell	OIL	3603	3566	11N-30E	9	3/27/2023	\$64,623.00
25065054610000	Goit 5-9	Musselshell	OIL	3745	3701	11N-30E	9	3/23/2023	\$62,860.20
25065054660000	Goit 5-8	Musselshell	OIL	3730	3689	11N-30E	9	3/23/2023	\$66,062.10
25065054780000	R. Shelhamer 1A	Musselshell	EOR	3702		11N-30E	8	3/22/2023	\$64,168.00
25065054600000	Shelhamer A-4	Musselshell	OIL	3779	3744	11N-30E	8	3/21/2023	\$71,584.50
25065052700000	Butts 5-3 (3)	Musselshell	OIL	4782	4752	10N-30E	1	3/14/2023	\$77,057.50
25065052750000	Butts 5-1 (1)	Musselshell	OIL	4832		10N-30E	1	3/14/2023	\$70,161.00
25065052860000	State 2-2 (F-2)	Musselshell	OIL	4805	4764	11N-30E	36	3/14/2023	\$73,242.00
25065052620000	Butts 4 (5-4)	Musselshell	OIL	4792		10N-30E	1	3/13/2023	\$71,181.50
25065052850000	State E-1 (4-1)	Musselshell	OIL	4773	4730	11N-30E	36	3/13/2023	\$73,859.50
25065055850000	Butts 5-5 (5)	Musselshell	OIL	4772	4733	10N-30E	1	3/12/2023	\$71,064.50
25021062360000	Mont-Dak 11 (210)	Dawson	GAS	800		14N-55E	20	2/3/2023	\$106,411.20
25025212570000	Halmans-Federal 1-26	Fallon	SWD	9720	2150	9N-59E	26	2/3/2023	\$157,077.00
25075220010000	Janssen 2	Powder River	GAS	3220		1S-50E	30	1/20/2023	\$74,357.20
25075219960000	Janssen 1	Powder River	GAS	3102		1S-50E	19	1/19/2023	\$84,178.00
25025051060000	Wm Wagner 2	Fallon	DH	2000		5N-60E	5	1/18/2023	\$117,354.20
25025210910000	State 6-36	Fallon	GAS	1457		5N-60E	36	1/17/2023	\$96,615.20
25025211140000	State 11-36	Fallon	GAS	1600		5N-60E	36	1/17/2023	\$84,949.30

In addition to the wells plugged, thirteen orphaned wells that were under contract to plug have been bonded to an operator to reactivate and one has been bonded by a surface owner for domestic use. These wells are listed on the data report spreadsheet.

OTHER COSTS

In addition to the plugging cost listed above, in the first quarter of 2023, \$7,393 have been spent for administrative costs for administering the orphan well plugging program, and \$44,153.97 have been spent for indirect costs.

ACRES OF HABITAT RESTORED

Reclamation and seeding for the locations of the wells that have been plugged to date will be done later in the year when weather conditions are more optimal.

METHANE EMISSIONS TRACKING

Actual and potential methane emissions are considered in the orphaned well ranking system through consideration of leaking fluids and wellhead pressures. Through the initial grant funding, the Board’s

primary goal is to use the funds to plug all of Montana's orphaned wells. By successfully getting all current orphaned wells under contract to plug, the potential to emit methane from these wells will be eliminated and therefore measuring actual methane emissions is not planned.

Monitoring of actual methane and equivalent carbon dioxide emissions has been undertaken by a private entity on wells it operates, and that entity has volunteered to test some of the orphaned wells under contract to plug for the State. The Board will review this data once it is provided for future testing considerations. The Board has also had discussions with a local University for a methane testing project.

OTHER ENVIRONMENTAL CONCERNS TRACKING

Actual or potential contamination of groundwater are also evaluated under the current ranking and review criteria. The Board and the Montana Department of Environmental Quality have joint responsibility should contamination of waters of the state be confirmed or suspected.

ESTIMATE OF IMPACT TO JOBS

19 orphaned wells have been plugged in the first quarter of 2023. Approximately six contractors have been used to plug these wells with an average number of jobs per contractor of 2.5, or a total of approximately 15 jobs have been created or saved so far through this federal orphan well grant.

RECEIVED

API#: 25- 025 - 21091

Inspection Report

JAN 23 2023

Date: 1/17/2023

Montana Board of Oil and Gas Conservation
MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

UIC: Oil/Gas/Other: X

Exception/Violation: Yes:

Inspector: Samuel Thielen

Date Operator Notified:

Arrival Time: 10:59 AM am/pm

Date Remedy Required:

Operator Representative(s):

Others Present:

Well name: STATE 6-36 Q: NE SE NW Sec: 36 Township: 5N Range: 60E

Operator: KELLY OIL AND GAS ORPHAN Field: CEDAR CREEK

Latitude / Longitude, NAD83 decimal degrees (if taken):

Failed Items or Violation Description:

Inspection Type

- Routine/Periodic Pre-drill / Well permitting
Change of Operator Pre-regulatory/Orphan
Complaint Response Remediation / Restoration
Compliance Verification Plugging Witnessed
Construction SRA/Expiration
Drilling / Service Rig Seismic Inspection
Emergency Response
Pit Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: PSI
Not Injecting: Annulus Pressure: PSI

Non-UIC Wells

- Oil Well: Producing:
Gas Well: Shut-In / TA:
Other: Abandoned:

Comments / Description

Picture:

PLUG #1 CIBP@ 1088', 5SKS CLASS G CEMENT ON TOP CONFIRMED
PLUG #2 CIBP@ 614' 5SKS CLASS G CEMENT ON TOP CONFIRMED
PLUG #3 100' SURFACE PLUG AND 100' SURFACE CASING PLUG TOPPED OFF CONFIRMED
BURIAL COMPLETE AWAITING VEGETATION GROWTH

RECEIVED

API#: 25- 025 - 21114

Inspection Report

JAN 23 2023

Date: 1/17/2023

Montana Board of Oil and Gas Conservation

UIC: Oil/Gas/Other:

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

Exception/Violation: Yes:

Inspector: Samuel Thielen

Date Operator Notified:

Arrival Time: 11:06 AM am/pm

Date Remedy Required:

Operator Representative(s)

Others Present:

Well name: STATE 11-36 Q: C SW Sec: 36 Township: 5N Range: 60E

Operator: KELLY OIL AND GAS ORPHAN Field: CEDAR CREEK

Latitude / Longitude, NAD83 decimal degrees (if taken):

Failed Items or Violation Description:

Inspection Type

Class II UIC Wells

- Routine/Periodic Pre-drill / Well permitting
Change of Operator Pre-regulatory/Orphan
Complaint Response Remediation / Restoration
Compliance Verification Plugging Witnessed
Construction SRA/Expiration
Drilling / Service Rig Seismic Inspection
Emergency Response
Pit Inspection

- Injecting: Tubing Pressure: PSI
Not Injecting: Annulus Pressure: PSI

Non-UIC Wells

- Oil Well: Producing:
Gas Well: Shut-In / TA:
Other: Abandoned:

Comments / Description

Picture:

PLUG #1 COIL TUBING STACK OUT @ 1200', CIBP MOVED TO 1150', MTBOG BILLINGS APPROVED, 5SKS CLASS G ON TOP

PLUG #1 5SKS CLASS G CEMENT PUMPED ON TOP OF CIBP CONFIRMED

PLUG #2 CIBP @838 5SKS CLASS G CEMENT ON TOP CONFIRMED

SURFACE CASING DEAPTH OF PROBE 7' TOPPED OFF WITH CEMENT

BURIAL COMPLETE A WAITING VEGETATION GROWTH , 838' FEET OF TUBING REMOVED FROM WELL

RECEIVED

API#: 25- 025 - 05106

Inspection Report

Montana Board of Oil and Gas Conservation

JAN 23 2023

Date: 1/18/2023

UIC: [] Oil/Gas/Other: [X]

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

Exception/Violation: Yes: []

Inspector: Samuel Thielen

Date Operator Notified:

Arrival Time: 11:13 AM am/pm

Date Remedy Required:

Operator Representative(s)

Others Present:

Well name: WM WAGNER 2 Q: C SW NW Sec: 5 Township: 5N Range: 60E

Operator: MONARCH OIL AND GAS Field: PLEVNA

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.21700, -104.23759

Failed Items or Violation Description:

Inspection Type

- Routine/Periodic [] Pre-drill / Well permitting []
Change of Operator [] Pre-regulatory/Orphan [X]
Complaint Response [] Remediation / Restoration []
Compliance Verification [] Plugging Witnessed [X]
Construction [] SRA/Expiration []
Drilling / Service Rig [] Seismic Inspection []
Emergency Response []
Pit Inspection []

Class II UIC Wells

- Injecting: [] Tubing Pressure: PSI
Not Injecting: [] Annulus Pressure: PSI

Non-UIC Wells

- Oil Well: [X] Producing: []
Gas Well: [] Shut-In / TA: []
Other: ORPHAN Abandoned: [X]

Comments / Description

Picture: []

COLLAR ADAPTOR WELDED TO CASING, COIL TRUCK TAG @ 643 THICK CLAY MUD.
PLUG PLAN ALTERED APPROVED BY BILLINGS MTBOG
PLUG #1 45sks ON TOP OF 643' OBSTRUCTION,
PLUG #2 250 FOOT SURFACE PLUG, NO SURFACE CASING OBSERVED, TOP OFF CONFIRMED
BURIAL COMPLETE. AWAITING VEGETATION GROWTH

RECEIVED

API#: 25- 075 - 22001

Inspection Report

JAN 23 2023

Date: 1/20/2023

Montana Board of Oil and Gas Conservation

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

UIC: Oil/Gas/Other:

Exception/Violation: Yes:

Inspector: Samuel Thielen

Date Operator Notified:

Arrival Time: 4:25PM am/pm

Date Remedy Required:

Operator Representative(s)

Others Present:

Well name: JANSSEN 2 Q: NE SW NW Sec: 30 Township: 1S Range: 50E

Operator: JANSSEN GAS Field: PUMPKIN CREEK

Latitude / Longitude, NAD83 decimal degrees (if taken):

Failed Items or Violation Description:

Inspection Type

Class II UIC Wells

- Routine/Periodic Pre-drill / Well permitting
Change of Operator Pre-regulatory/Orphan
Complaint Response Remediation / Restoration
Compliance Verification Plugging Witnessed
Construction SRA/Expiration
Drilling / Service Rig Seismic Inspection
Emergency Response
Pit Inspection

- Injecting: Tubing Pressure: PSI
Not Injecting: Annulus Pressure: 0 PSI

Non-UIC Wells

- Oil Well: Producing:
Gas Well: Shut-In / TA:
Other: Abandoned:

Comments / Description

Picture:

PLUG #1 @2779'-3079' 24SKS BALANCED CLASS G CEMENT CONFIRMED
PLUG #2 @2250'-2000" 20SKS BALANCED CLASS G CEMENT CONFIRMED
PLUG #3 PERFORATE PROD CSG @231' CIRCULATE 64SKS (ACTUAL 84SKS) TO SURFACE AND TOP OFF CONFIRMED
BURIAL COMPLETE AWAITING VEGETATION GROWTH

RECEIVED

API#: 25- 075 - 21996

Inspection Report

JAN 23 2023

Date: 1/20/2023

Montana Board of Oil and Gas Conservation MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

UIC: [] Oil/Gas/Other: [X]

Exception/Violation: Yes: []

Inspector: Samuel Thielen

Date Operator Notified:

Arrival Time: 10:45 AM am/pm

Date Remedy Required:

Operator Representative(s)

Others Present:

Well name: JANSSEN 1 Q: NE SW SW Sec: 19 Township: 1S Range: 50E

Operator: JANSSEN GAS Field: PUMPKIN CREEK

Latitude / Longitude, NAD83 decimal degrees (if taken):

Failed Items or Violation Description:

Inspection Type

Class II UIC Wells

- Routine/Periodic [] Pre-drill / Well permitting []
Change of Operator [] Pre-regulatory/Orphan [X]
Complaint Response [] Remediation / Restoration []
Compliance Verification [] Plugging Witnessed [X]
Construction [] SRA/Expiration []
Drilling / Service Rig [] Seismic Inspection []
Emergency Response []
Pit Inspection []

- Injecting: [] Tubing Pressure: PSI
Not Injecting: [] Annulus Pressure: 0 PSI

Non-UIC Wells

- Oil Well: [] Producing: []
Gas Well: [X] Shut-In / TA: []
Other: Abandoned: [X]

Comments / Description

Picture: []

PLUG PLAN ALTERED WITH BILLINGS MTBOG APPROVAL

PLUG #1 BALANCED 24SKS @2363' TO 2983' CONFIRMED

PLUG #2 CICR @2227 PERFORATE @2277 COLLAR @2080, PERFS @2272/2273', UNABLE TO SQUEEZE 55 SKS

PLUG #2 24SKS ON TOP OF CICR APPROVED BY MTBOG BILLINGS

PLUG #3 PERFORATE @180' PUMP CEMENT 50+SKS TO SURFACE AND TOP OFF CONFIRMED

BURIAL COMPLETE A WAITING VEGETATION GROWTH

API #: 25 - 021 - 06236

Date: 2 / 2 / 23

UIC: Oil Gas Other:

Exception / Violation: Yes:

Inspection Report

Montana Board of Oil and Gas Conservation

01/2014

FEB 10 2023

MONTANA BOARD OF OIL & GAS CONSERVATION - BILLINGS

Inspector: Russell Utter

Date Operator Notified: _____

Arrival Time: _____ am/pm

Date Remedy Required: _____

Operator Representative(s): _____

Others Present: _____

Well Name: MON-DAK 11 (210) Q: NK/NK Sec.: 20 Township: 14N Range: 55E

Operator: ORPHAN (EASTERN MT. OIL & GAS COMPANY) Field: DAWSON

Latitude / Longitude, NAD83 decimal degrees (if taken): _____

Failed Items or Violation Description:

2-2 *MTRU *2-3 RU-Gail (tagging truck, mill cut wood @ surface w/ tri-cone bit. locked up @ 150' - put on mill bit - 2 3/8" Tbg @ 153' - injection 2.5 bpm @ 50# - set RETAINER @ 145' - pump 40 sks out below + out to surface, cut off csg 4' below G.L. - well legal identification plate on - backfill

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: _____ Abandoned:

Comments / Description

Picture:

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FEB 07 2023

Montana Board of Oil & Gas Cons. - Shelby

13

5039

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FEB 03 2023

API#: 25- 025 - 21257

Inspection Report

Montana Board of Oil and Gas Conservation

Date: 2/1-2/2023

UIC: [X] Oil/Gas/Other: []

Exception/Violation: Yes: []

Inspector: Samuel Thielen

Date Operator Notified:

Arrival Time: 7:59 AM am/pm

Date Remedy Required:

Operator Representative(s):

Others Present:

Well name: HALMANS FEDERAL 1-26 Q: NE SW Sec: 26 Township: 9N Range: 59E

Operator: PRONGHORN PETROLEUM ORPHANED 2020 Field: WILDCAT FALLON

Latitude / Longitude, NAD83 decimal degrees (if taken):

Failed Items or Violation Description:

Inspection Type

- Routine/Periodic [] Pre-drill / Well permitting []
Change of Operator [] Pre-regulatory/Orphan [X]
Complaint Response [] Remediation / Restoration []
Compliance Verification [] Plugging Witnessed [X]
Construction [] SRA/Expiration []
Drilling / Service Rig [] Seismic Inspection []
Emergency Response []
Pit Inspection []

Class II UIC Wells

- Injecting: [] Tubing Pressure: 0 PSI
Not Injecting: [X] Annulus Pressure: 0 PSI

Non-UIC Wells

- Oil Well: [] Producing: []
Gas Well: [] Shut-In / TA: []
Other: [] Abandoned: []

Comments / Description

Picture: []

PLUG #1 @1960' SOLID TAG 15 SKS TOC 1813' FEET (CHANGED FROM 27 sks MTBOG TO LOWER TOC)
PLUG #2 CICR@1677' 95sks (+20 sks PLAN ALTERED MTBOG) PERF@1727/1728' FEET. RATE 0.8 bpm @1200psi
PLUG #3 PERF@ 100' FEET 30+sks TO SURFACE. 35sks CEMENY @SURFACE CONFIRMED
BURIAL/ SITE DEMOLITION AND RESTORATION BEING WORKED
ALL PLAN ALTERATIONS MTBOG APPROVED/WELTER CONSULTED
4X bbl TANKS, PUMP BUILDING TRIPLEX, WELLHEAD
NO TUBING IN HOLE

JG

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API #: 25 - 065-05585

Inspection Report

Date: 3/12/2023

Montana Board of Oil and Gas Conservation APR 03 2023

UIC: Oil / Gas / Other:

01/2014

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

Exception / Violation: Yes:

Inspector: Scott Bloomfield

Date Operator Notified: _____

Arrival Time: 8:05 am/pm

Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (coil), Rock Hard Cementing, Tenshaw Oil (Roustabout)

Well Name: Butts 5-5(5) Q: SESE Sec.: 1 Township: 10N Range: 30E

Operator: Kelly Oil + Gas LLC Field: Keg Coulee

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.65572 - 107.88214

Failed Items or Violation Description:

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

Injecting: Tubing Pressure: _____ PSI
Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

Oil Well: Producing:
Gas Well: Shut-In / TA:
Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run to 4682'.
Plug #1 - CICR set @ 4632'. 55 sks squeezed w/5 on Top. TDC 4592'
Plug #2 - CICR set @ 3577'. 55 sks below retainer w/5 on Top.
TDC @ 3534'. Perfs @ 3627'
Plug #3 - Perffed @ 122'. Circulated 35 sks to surface.
Top off complete. Wellhead removed 4' below surface. Information
plate welded on and buried.

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MAR 30 2023

Montana Board of Oil & Gas Cons. - Shelby

API #: 25 - 065 - 05262

Inspection Report

Montana Board of Oil and Gas Conservation

01/2014

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APR 03 2023

Date: 3 / 13 / 2023

UIC: Oil / Gas / Other:

Exception / Violation: Yes:

Inspector: Scott Bloomfield MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS Date Operator Notified: _____

Arrival Time: 11:30 am/pm Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT) Rock Hard Cementing, Tomahawk Oil (Water)

Well Name: Butts 4(5-4) Q: NESE Sec.: 1 Township: 10N Range: 30E

Operator: Kelly Oil + Gas LLC Field: Keg Coulee

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.65963 -107.88232

Failed Items or Violation Description:

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run to 4699'

Plug #1 - Unable to get injection rate. Pump 50 sks on top of
retainer. TOC @ 4011'

Plug #2 - CICR set @ 3585'. 55 sks pumped below retainer.
5 sks on top. Perts @ 3635'

Plug #3 - Perforated @ 138'. Cement circulated between casings to
Surface, 40 sks.

Wellhead removed. Top off w/ 15 sks cement. Information plate
welded on and buried. Cut off 4' below surface.

RECEIVED

MAR 30 2023

Montana Board of Oil & Gas Cons. - Shelby

45

API #: 25 - 065 - 05285

Inspection Report

RECEIVED

Date: 3 / 13 / 2023

Montana Board of Oil and Gas Conservation

01/2014

APR 03 2023

UIC: Oil / Gas / Other:

Exception / Violation: Yes:

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

Inspector: Scot Bloomfield Date Operator Notified: _____

Arrival Time: 4:30 am/pm Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT) Rock Hard Cementing, Tomahawk Oil (Water)

Well Name: State E-1 (4-1) Q: SWSE Sec.: 36 Township: 11N Range: 30E

Operator: Kelly Oil & Gas LLC Field: Keg Coulee

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.67022 -107.88986

Failed Items or Violation Description:

Inspection Type

Class II UIC Wells

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run. Stacked out @ 4665'
Plug # 1 - CICR set @ 4641'. Pumped 55 sks below/through retainer.
5 sks on top. TOC 4598'
Plug # 2 - CICR set @ 3530'. 55 sks squeezed through w/ 5 sks on
top. Perfs @ 3580'.
Plug # 3 - Perfs @ 98'. Circulated cement between casings 30 sks to surfa.
Wellhead removed 4' below surface. Topped off w/ 15 sks cement.
Information plate welded on and buried.

RECEIVED

MAR 30 2023

Montana Board of Oil & Gas Cons. - Shelby

Inspection Report

Montana Board of Oil and Gas Conservation

01/2014

RECEIVED

APR 03 2023

API #: 25 - 065-05286

Date: 3/14/2023

UIC: Oil / Gas / Other:

Exception / Violation: Yes:

Inspector: Scott Bloomfield MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS Date Operator Notified: _____

Arrival Time: 8:00 am pm Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT), HP Oilfield Serv. (Contract), Tomahawk Oil (Water)

Well Name: State 2-2 (F-2) Q: SESW Sec.: 36 Township: 11N Range: 30E

Operator: Kelly Oil + Gas LLC Field: Keg Coulee

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.67022 - 107.89508

Failed Items or Violation Description:

Inspection Type

- Routine / Periodic Pre-drill / Well Permitting
- Change of Operator Pre-regulatory / Orphan
- Complaint Response Remediation / Restoration
- Compliance Verification Plugging Witnessed
- Construction SRA / Expiration
- Drilling / Service Rig Seismic Inspection
- Emergency Response
- Pit Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run to 4707' (tagged)
Plug #1 - CICR set @ 4688', No injection rate. Pumped 60 sks
on top of retainer. TOC @ 4162'.
Plug #2 - Perforated @ 3640', CICR set @ 3590'. 55 sks pumped
below/through retainer, 9 sks on top. TOC @ ~~3540~~ 3472'.
Plug #3 - Perforated @ 116', Circulated 45 sks between casings.
wellhead cut off 4' below surface. Topped off w/15 sks. Information
plate welded on and buried.

RECEIVED

MAR 30 2023

Montana Board of Oil & Gas Cons. - Shelby

KB

Inspection Report

Montana Board of Oil and Gas Conservation
01/2014

RECEIVED

API #: 25 - 065 - 05275

Date: 3/14/2023

APR 03 2023

UIC: Oil / Gas / Other:

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

Exception / Violation: Yes:

Inspector: Scot Bloomfield

Date Operator Notified: _____

Arrival Time: 1:30 am/pm

Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT), HP oilfield Serv. (cement) Tomahawk Oil (water)

Well Name: Butts 5-1 (1) Q: NENE Sec.: 1 Township: 10N Range: 30E

Operator: Kelly Oil + Gas LLC Field: Keg Cowlee

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.66659 - 107.88274

Failed Items or Violation Description:

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Plug #1 - CICR set @ 4678', Pumped 55 sks below/through retainer and 5 sks on top. TOG 4636'

Plug #2 - Perforated @ 3640'. Plan change OK'd by BOGC to set retainer 115' Higher. CICR set @ 3475" (3590' original), Additional cement 10+55 below and 15+5 on top. Pressured up while squeezing. Final totals 36 1/2 sks below/through retainer and 48 1/2 sks on top.

Plug #3 - Perforated @ 171'. 48 sks pumped between casings to surface Wellhead removed 4' below surface. Topped off with 5 sks information plate welded on and buried.

MAR 30 2023

Montana Board of Oil & Gas Cons. - Shelby

KB

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API #: 25 - 065 - 05270

Inspection Report

Montana Board of Oil and Gas Conservation

01/2014

APR 03 2023

Date: 3/15/2023

UIC: Oil / Gas / Other:

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

Exception / Violation: Yes:

Inspector: Scott Bloomfield

Date Operator Notified: _____

Arrival Time: 8:30 am/pm

Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT) HP Oilfield Serv. (cement) Tomhawk Oil (water)

Well Name: Butts 5-3 (3) Q: SENE Sec.: 1 Township: 10N Range: 30E

Operator: Kelly Oil + Gas LLC Field: Keg Coulee

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.66339 - 107.88274

Failed Items or Violation Description:

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run stacked out @ 4627'
Plug #1 - CICR set @ 4611'. No injection rate. Pumped 50 SKs on top of retainer. TOC @ 4181'
Plug #2 - Perforated @ 3610'. CICR set @ 3560'. Pressured up w/no injection rate x2. BOGC OK'd 30 SKs on top. TOC @ 3302'
Plug #3 - Perforated @ 161'. Circulated cement between casings 45 SKs to surface.
Wellhead cut-off 4' below surface. Tapped off w/15 SKs. Information plate welded on and buried.

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MAR 30 2023

Montana Board of Oil & Gas Cons. - Shelby

KB

RECEIVED

API #: 25 - 065 - 05460

Inspection Report

Date: 3 / 20 / 2023

Montana Board of Oil and Gas Conservation

APR 10 2023

01/2014

UIC: Oil / Gas / Other:

MONTANA BOARD OF OIL & GAS CONSERVATION - BILLINGS Exception / Violation: Yes:

Inspector: Scott Bloomfield

Date Operator Notified: _____

Arrival Time: 10:30 am/pm

Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT) HP Oilfield Serv. (Cement) Tomahawk Oil (Water)

Well Name: Shelhamer A-4 Q: SESE Sec.: 8 Township: 11N Range: 30E

Operator: Kelly Oil + Gas LLC Field: Ragged Point

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.72815 - 107.96877

Failed Items or Violation Description:

Inspection Type

- Routine / Periodic Pre-drill / Well Permitting
- Change of Operator Pre-regulatory / Orphan
- Complaint Response Remediation / Restoration
- Compliance Verification Plugging Witnessed
- Construction SRA / Expiration
- Drilling / Service Rig Seismic Inspection
- Emergency Response _____
- Pit Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run to 3607', 10,000 psi CICR's used.
 CICR#1 set @ 3601'. No injection rate. Pump 50 sx 15.8 ppg Class "G" on top of retainer. TOC @ 3173'.
 Perf @ 2508' - 2506' w/ 2', 4 shot 3 1/8" gun using 19.4 grams/shot creating 3/8" entrance diameters. Depth change from 2500' due to collar @ 2502'.
 CICR#2 set @ 2450'. Good injection rate. Squeezed 55 sx 15.8 ppg Class "G" cement below retainer. Balanced 5 sx on top. TOC @ 2407'.
 Perf @ 152' - 151' w/ 1', 2 shot 3 1/8" gun using 19.4 grams/shot, creating 3/8" entrance diameters. Circulated 65 sx between casings to surface.
 Removed wellhead 4' below surface. Topped off w/ 15 sx cement.
 Welded 12" x 12" marker plate on and buried.

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APR 06 2023

KB

API #: 25 - 065 - 05478

Date: 3 / 21 / 2023

UIC: Oil / Gas / Other:

Exception / Violation: Yes:

Inspection Report

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Montana Board of Oil and Gas Conservation

APR 10 2023

01/2014

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

Inspector: Scott Bloomfield

Date Operator Notified: _____

Arrival Time: 10:00 am/pm

Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (GT) HP Oilfield Serv. (Cement) Tomahawk Oil (Water)

Well Name: R. Shelhammer 1A Q: NESE Sec.: 8 Township: 11N Range: 30E

Operator: Kelly Oil + Gas LLC Field: Ranged Point

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.73177 -107.96875

Failed Items or Violation Description:

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run to 3543'. 10,000 psi CICR's used.
 CICR#1 set @ 3491'. Good injection rate. Squeezed 55 sk Class "G" cement approx 15.8 ppg below retainer. Balanced 5 sk on top. Top of cement @ 3440'. Perf @ 2335' - 2333' w/1/2", 4 shot 3 7/8" gun using 19.4 grams/shot creating 3/8" entrance diameters.
 CICR# 2 set @ 2285'. Squeezed 55 sk 15.8 ppg class "G" cement below retainer. Balanced 5 sk on top. TOC @ 2238'.
 Perf @ 185' - 184' w/1", 2 shot 3 7/8" gun, 19.4 grams/shot, 3/8" entrance dia.
 Depth change from 192' due to casing collar @ 190'. Circ cement between casings 75 sk to surface. Topped off w/15 SKs. WH removed 4' below surface. 12" x 12" marker plate welded on and buried

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JG

API #: 25 - 065 - 05461

Date: 3 / 22 / 2023

Inspection Report

Montana Board of Oil and Gas Conservation

RECEIVED

UIC: Oil / Gas / Other:

Exception / Violation: Yes:

01/2014

APR 10 2023

Inspector: Scott Bloomfield

Date Operator Notified: _____

Arrival Time: 9:45 (am/pm)

MONTANA BOARD OF OIL & GAS CONSERVATION - BILLINGS

Date Remedy Required: _____

Operator Representative(s): Diane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT) HP Oilfield Serv. (cement) Tomahawk Oil (water)

Well Name: Goit 5-9 Q: SW SW Sec.: 9 Township: 11 N Range: 30 E

Operator: Hinto Energy LLC Field: Ragged Point

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.72815 -107.96350

Failed Items or Violation Description:

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APR 06 2023

Montana Board of Oil & Gas Cons. - Shelby

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run to 3664'. 10,000 psi CICR's used.
 CICR#1 set @ 3554'. Good injection rate. Squeezed 55 sx Class "G" cement w/ 2% CaCl, approx 16 ppg, below retainer. Balanced 5 sx on top.
 TOC @ 3512'. Perf @ 2488'-2486' w/ 2', 4 shot 3/8" gun using 19.4 grams per shot creating 3/8" entrance diameters.
 CICR#2 set @ 2438'. Good injection rate. Squeezed 55 sx Class "G" cement w/ 2% CaCl, approx 16 ppg below retainer. Balanced 15 sx on top. TOC @ 2310'
 Perf @ 193'-194' w/ 1', 2 shot 3/8" gun using 19.4 grams/shot (3/8" entrance dia.)
 Circ. cement between casings w 15.9 ppg cement, 65 sx to surface.
 Topped off w/ 15 sx. 12"x12" marker plate welded on after wellhead removed 4' + below surface, then buried

API #: 25 - 065 - 05466

Inspection Report

Montana Board of Oil and Gas Conservation

01/2014

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Date: 3 / 23 / 2023

APR 10 2023

UIC: Oil / Gas / Other:

Exception / Violation: Yes:

MONTANA BOARD OF OIL & GAS CONSERVATION

Inspector: Scot Bloomfield

Date Operator Notified: _____

Arrival Time: 9:00 am/pm

Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT) HPOilfield Serv. (Cement) Tomahawk Oil (Water)

Well Name: Goit 5-8 Q: SESW Sec.: 9 Township: 11N Range: 30E

Operator: Hinto Energy LLC Field: Ragged Point

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.72856 - 107.95821

Failed Items or Violation Description:

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APR 06 2023

Montana Board of Oil & Gas Cons. - Shelby

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run to 3498'. OK'd change by BGC. 10,000 psi CICR's used
CICR #1 set @ 3480'. No injection rate. 25 SX on top of CICR. TOC @ 3264'
Perf @ 2460'-2468' w/ 2', 4 shot gun (3 1/8") using 19.4 grams / shot creating 3/8" entrance diameter.

CICR # 2 set @ 2410'. Good injection rate. 55 SKS. Class "C" w/ 2% CaCl
approx 16 ppg, pumped below retainer. 15 SX on top. TOC @ 2281'.
Perf @ 179'-180' w/ 1', 2 shot 3 1/8" gun using 19.4 grams / shot creating 3/8" entrance diameter. Perf depth changed from 190' due to casing collar position.

Circulated cement between casings to surface w/ 76 SX 15.9 ppg class "C"
cement. Topped off w/ 20 SX. Wellhead removed. 12"x12" marker plate
welded on 4' below surface and purged.

KS

Inspection Report

Montana Board of Oil and Gas Conservation

01/2014

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APR 10 2023

MONTANA BOARD OF OIL & GAS CONSERVATION • BILLINGS

API #: 25 - 065 - 05477

Date: 3 / 27 / 2023

UIC: Oil / Gas / Other:

Exception / Violation: Yes:

Inspector: Scott Bloomfield

Date Operator Notified: _____

Arrival Time: 10:00 am/pm

Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT) HPC Oilfield Serv. (Cement) Tomahawk Oil (Water)

Well Name: Ragged Point 5-6 Q: NW SW Sec.: 9 Township: 11N Range: 30E

Operator: Hinto Energy, LLC Field: Ragged Point

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.73177 - 107.96401

Failed Items or Violation Description:

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APR 06 2023

Montana Board of Oil & Gas Cons. - Shelby

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plug Abandoned:

Comments / Description

Picture:

Bit and scraper run to 1700'. 4 1/2" lined casing. 10,000 psi CICR's used
CICR #1 set @ 1699'. Change OK'd by BOGC after retrievable packer
pressure test @ 1695' w/no returns to surface. Pumped 115 sks 15.9 ppg
cement below retainer. Balanced 5 sx on top. TOC @ 1655'.
Perf @ 1600'-1598' w/2', 4 shot 3 1/8" gun using 19.4 grams/shot for 3/8"
entrance diameter.
CICR #2 set @ 1500'. 55 sx squeezed below retainer and balanced 32 sx
on top. TOC @ 1223'.
Perf @ 250' w/1', 2 shot 3 1/8" gun, 19.4 grams/shot, 3/8" entrance dia.
Circulated 125 sx cement between casings to surface. Wellhead removed
4' below surface. Topped off w/1 1/2 sx cement. 12" x 12" marker plate welded
on and buried.

10

API #: 25 - 065 - 05443

Date: 3 / 28 / 2023

Inspection Report

Montana Board of Oil and Gas Conservation

01/2014

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APR 10 2023

UIC: Oil / Gas / Other:

Exception / Violation: Yes:

MONTANA BOARD OF OIL & GAS CONSERVATION - BILLINGS

Inspector: Scott Bloomfield

Date Operator Notified: _____

Arrival Time: 9:15 am/pm

Date Remedy Required: _____

Operator Representative(s): Duane Zimmerman for Welter Consulting

Others Present: Blacksmith Oil Tools (CT) HP oilfield Serv. (cement) Tomhawk Oil (Water)

Well Name: State 1 Q: NW NW Sec.: 16 Township: 11N Range: 30E

Operator: Kelly Oil + Gas LLC Field: Ragged Point

Latitude / Longitude, NAD83 decimal degrees (if taken): 46.72467 -107.96370

Failed Items or Violation Description:

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APR 06 2023

Montana Board of Oil & Gas Cons. - Shelby

Inspection Type

- Routine / Periodic
- Change of Operator
- Complaint Response
- Compliance Verification
- Construction
- Drilling / Service Rig
- Emergency Response
- Pit Inspection
- Pre-drill / Well Permitting
- Pre-regulatory / Orphan
- Remediation / Restoration
- Plugging Witnessed
- SRA / Expiration
- Seismic Inspection

Class II UIC Wells

- Injecting: Tubing Pressure: _____ PSI
- Not Injecting: Annulus Pressure: _____ PSI

Non-UIC Wells

- Oil Well: Producing:
- Gas Well: Shut-In / TA:
- Other: Plus Abandoned:

Comments / Description

Picture:

Bit and scraper run to 31664'.
Plug #1 - Balanced plug of 23 sx 15.9 ppg cement displaced from 2700' - 2300'.
Perf @ 1600' w/2', 4 shot 3 1/8" gun, 19.4 grams/shot, 3/8" entrance diameters. 10,000 psi CICR set @ 1550'. Good injection rate. Squeezed 55 sx 15.9 ppg Class "F" cement below retainer. Balanced 5 sx on top. TOC @ 1506'.
Perf @ 192'-191' w/1', 2 shot 3 1/8" gun, 19.4 grams/shot, 3/8" entrance dia. Circulated 72 sx cement between casings to surface. Removed wellhead 4' below.
⁵¹¹⁶
Welded Topped off w/ 3 1/2 sx. Welded 12"x12" marker plate on top and buried.