

STATE OF MONTANA  
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION  
BOARD OF OIL AND GAS CONSERVATION  
BILLINGS, MONTANA  
October 13 & 14, 2021

NOTICE OF PUBLIC HEARING

( CONSERVATION AND PREVENTION  
( OF WASTE OF OIL AND GAS

***The Board has returned to normal hearing procedures. Those planning on testifying or presenting should be present at the business meeting or hearing.***

The Board of Oil and Gas Conservation of the State of Montana will hold its business meeting on Wednesday, October 13, 2021, at 2:00 p.m. in the hearing room at its office at 2535 St. Johns Avenue in Billings, Montana.

The agenda for that meeting is as follows:

1. Call to order
2. Approval of minutes of August 11, 2021, business meeting
3. Public comment on agenda and non-agenda items
4. Proposed hearing schedule for 2022
5. Longevity & service awards
6. Financial report
7. Bond summary & incident report
8. Docket summary
9. Gas flaring exceptions
10. Inactive well review
11. Staff reports
12. Other business
13. Exempt staff performance review
14. Adjourn

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below at **9:00 a.m.** on Thursday, October 14, 2021, in the hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. Interested persons have the opportunity to be heard for each docket. For more information or to request accommodation for a disability, please contact Erin Ricci at (406) 444-6731 or Jennifer Breton at (406) 656-0040, as soon as possible before the scheduled hearing.

**Please take note that corporations, partnerships, limited-liability companies (LLCs), or any other legal entity that is not a natural person cannot appear before the Board of Oil and Gas Conservation except through an attorney licensed to practice law in the State of Montana. Failure of a designated and duly licensed legal representative to appear at the time and place identified in this hearing notice may result in imposition of sanctions for failure to appear before the Board.**

Docket 77-2021

**APPLICANT: KRAKEN OIL & GAS LLC – RICHLAND COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to pool all interests in the permanent spacing unit comprised of all of Sections 6 and 7, T25N-R59E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken/Three Forks Formation and to authorize the recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the RKT Carda 7-6 #2H, RKT Carda 7-6 #3H, and RKT Carda 7-6 #4H wells.

Docket 78-2021

**APPLICANT: KRAKEN OIL & GAS LLC – RICHLAND COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to pool all interests in the permanent spacing unit comprised of all of Sections 17 and 20, T25N-R59E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken/Three Forks Formation and to authorize the recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Mayson Phoenix 17-20 #2H, Mayson Phoenix 17-20 #3H, and Mayson Phoenix 17-20 #4H wells.

Docket 79-2021

**APPLICANT: KRAKEN OIL & GAS LLC – RICHLAND COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to pool all interests in the permanent spacing unit comprised of all of Sections 21 and 28, T26N-R59E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken/Three Forks Formation and to authorize the recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Dagney 21-28 #1H well.

Docket 80-2021

**APPLICANT: KRAKEN OIL & GAS LLC – RICHLAND COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to pool all interests in the permanent spacing unit comprised of all of Sections 21, 28, and 33, T26N-R59E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken/Three Forks Formation and to authorize the recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Dagney 33-21 #3 and Dagney 33-21 #4H wells.

Docket 81-2021

**APPLICANT: HYDRA MT, LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **Hydra MT, LLC** to drill the Kalypso 15-1 well in the NW¼NE¼ of Section 15, T27N-R57E, Roosevelt County, Montana (wildcat) as a saltwater disposal well in the Dakota Formation at a depth of approximately 4,741-6,190 ft. An aquifer exemption is being requested since the injection zone contains water with less than 10,000 mg/l total dissolved solids. Staff notes this application is eligible for placement on the default docket.

Docket 65-2021

Continued from August 2021

**APPLICANT: EMPIRE NORTH DAKOTA LLC– RICHLAND COUNTY, MONTANA**

Upon the application of **Empire North Dakota LLC** to pool all interests in the permanent spacing unit comprised of the S½NW¼ and N½SW¼ of Section 13, T24N-R58E, Richland County, Montana, for the production of oil and associated natural gas from the Duperow Formation and to authorize the recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Ullman No. 2 well.

Docket 82-2021

**APPLICANT: THREE FORKS RESOURCES, LLC – LIBERTY COUNTY, MONTANA**

Request for a change of operator, and as required by Board policy, the Board will hold a hearing to consider approval of the transfer of plugging and reclamation responsibilities for three wells in Liberty County, Montana, identified in the application from **Galuska Exploration & Production LLC and Galuska, George R. to Three Forks Resources, LLC** and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.

Docket 83-2021

**APPLICANT: A. B. ENERGY LLC – LIBERTY AND TOOLE COUNTIES, MONTANA**

Request for a change of operator, and as required by Board policy, the Board will hold a hearing to consider approval of the assumption of the plugging and reclamation responsibilities for five orphaned wells in Toole County, Montana by **A.B. Energy, LLC**, and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.

As required by Board Order 29-2021, A.B. Energy LLC is also to appear and provide the Board a progress update of its efforts to reduce its plugging liability and review its current plugging and reclamation bonding.

Docket 84-2021

**APPLICANT: MCR, LLC – TOOLE COUNTY, MONTANA**

~~Request for a change of operator, and as required by Board policy, the Board will hold a hearing to consider approval of the transfer of plugging and reclamation responsibilities for two wells in Toole County, Montana, identified in the application from **Croft Petroleum Co. to MCR, LLC** and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.~~

Docket 85-2021

**SHOW-CAUSE HEARING**

**RESPONDENT: BIG SKY ENERGY, LLC – CARBON, GOLDEN VALLEY, AND STILLWATER COUNTIES, MONTANA**

Upon the Board's own motion to require **Big Sky Energy, LLC** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to file production reports and to pay the administrative penalty assessed for delinquent reporting. In accordance with Board policy the amount due is \$920.00 and of that amount \$460.00 has been paid. This docket will be dismissed if payment and reports are received prior to the hearing. Failure to appear at the Show Cause hearing or to make suitable arrangements prior to said hearing subjects Big Sky Energy, LLC to further penalties as prescribed by Board Policy.

Docket 86-2021

**SHOW-CAUSE HEARING**

**RESPONDENT: DRAWINGS, LLC – ROOSEVELT COUNTY, MONTANA**

Upon the Board's own motion to require **Drawings, LLC** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to file production reports and to pay the administrative penalty assessed for delinquent reporting. In accordance with Board policy the amount due now is \$180.00. This docket will be dismissed if payment and reports are received prior to the hearing. Failure to appear at the Show Cause hearing or to make suitable arrangements prior to said hearing subjects Drawings, LLC to further penalties as prescribed by Board Policy.

Docket 87-2021  
**SHOW-CAUSE HEARING**

**RESPONDENT: MLB, LLC – TOOLE COUNTY, MONTANA**

Upon the Board's own motion to require **MLB, LLC** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to file production reports and to pay the administrative penalty assessed for delinquent reporting. In accordance with Board policy the amount due now is \$120.00. This docket will be dismissed if payment and reports are received prior to the hearing. Failure to appear at the Show Cause hearing or to make suitable arrangements prior to said hearing subjects MLB, LLC to further penalties as prescribed by Board Policy.

Docket 88-2021  
**SHOW-CAUSE HEARING**

**RESPONDENT: AMERICAN MIDWEST OIL & GAS CORP. – TOOLE COUNTY, MONTANA**

Upon the Board's own motion to require **American Midwest Oil & Gas Corp.** to appear and show cause, if any it has, for why it should not immediately plug and abandon its non-producing wells in Toole County, Montana.

Docket 89-2021  
**SHOW-CAUSE HEARING**

**RESPONDENT: KYKUIT RESOURCES, LLC – BLAINE AND FERGUS COUNTIES, MONTANA**

Upon the Board's own motion to require **Kykuit Resources, LLC** to appear and show cause, if any it has, to why it should not immediately plug and abandon its wells that are not capable of production.

Docket 90-2021  
**SHOW-CAUSE HEARING**

**RESPONDENT: ROLAND OIL AND GAS – GLACIER AND PONDERA COUNTIES, MONTANA**

Upon the Board's own motion to require **Roland Oil and Gas** to appear and show cause, if any it has, why it should not immediately plug and abandon its wells in Glacier and Pondera Counties, Montana.

Docket 52-2020  
**SHOW-CAUSE HEARING**  
Continued from October 2020

**RESPONDENT: ZEIDERS BROS. OIL & GAS COMPANY, LLC – MCCONE COUNTY, MONTANA**

Upon the Board's own motion to require **Zeiders Bros. Oil & Gas, LLC** to appear and show cause, if any it has, why it should not immediately plug and abandon its Rudolph Haynie 1-5 well, API # 25-055-21207, located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 5, T22N-R47E, McCone County, Montana before the October 1, 2020, public hearing and pay the outstanding fine in the amount of \$10,500, as required by Board Order 3-2020, and for failure to pay the \$1,000 fine assessed for not appearing at the December 3, 2020, public hearing.

Docket 32-2021  
**SHOW-CAUSE HEARING**  
Continued from April 2021

**RESPONDENT: FORWARD ENERGY, LLC – YELLOWSTONE COUNTY, MONTANA**

Upon the Board's own motion to require **Forward Energy, LLC** to appear and show cause, if any it has, why they should not be required to provide a plan and timeline for the plugging and abandonment of its wells in Yellowstone County, Montana.

Docket 73-2021  
**SHOW-CAUSE HEARING**  
Continued from August 2021

**RESPONDENT: HIGHLANDS MONTANA CORPORATION – CUSTER COUNTY, MONTANA**

Upon the Board's own motion to require **Highlands Montana Corporation** to appear and show cause, if any it has, why it should not begin to restore the location of the Helios 5-52 16-21 well, file missing completion data for the Helios 5-52 16-32 well, and begin to plug and abandon the Helios 5-52 16-22 well.

Docket 75-2021  
**SHOW-CAUSE HEARING**  
Continued from August 2021

**RESPONDENT: PAMECT OIL, KEITH E. TYNER DBA AND LOWRANCE-TYNER OPERATING – PONDERA AND TETON COUNTIES, MONTANA**

Upon the Board's own motion to require **Pamect Oil, Keith E. Tyner Dba and Lowrance-Tyner Operating** to appear and show cause, if any it has, why additional penalties should not be assessed for failure to file delinquent production and injection reports, failure to pay the penalty assessed to Pamect for delinquent reporting in the amount of \$240, and for failure to pay the outstanding \$200 annual injection well fee for both companies.

BOARD OF OIL AND GAS CONSERVATION

---

Erin Ricci  
Administrative Assistant