

# BUSINESS MEETING



**REVENUE INTO STATE SPECIAL REVENUE ACCOUNT 6/19/15**

	FY 15	FY 14
510414 Oil & Gas Production Tax	\$ 1,698,271.19	\$ 2,384,297.33
Oil Production Tax	\$ -	\$ 2,207,095.94
Gas Production Tax	\$ -	\$ 177,201.39
503601 Drilling Permit Fees	\$ 38,600.00	\$ 44,850.00
502302 UIC Permit Fees	\$ 231,890.00	\$ 227,200.00
530025 Interest on Investments	\$ 5,058.54	\$ 3,659.91
520921 Copies of Documents	\$ 4,143.25	\$ 4,529.13
Miscellaneous Reimbursements	\$ 10,826.00	\$ -
<b>TOTAL</b>	<b>\$ 1,988,788.98</b>	<b>\$ 2,664,536.37</b>

**REVENUE INTO DAMAGE MITIGATION ACCOUNT as of 6/19/15**

	FY 15
Transfer in from Orphan Share	-
582716 RIT Interest	-
545031 Bond Forfeitures	\$ 45,128.21
530025 Interest on Investments	\$ 515.27
<b>TOTAL</b>	<b>\$45,643.48</b>

**Investment Account Balances (1613) - 6/19/15**

Regulatory Account (02432)	\$ 3,651,055.10
Damage Mitigation Account (02010)	\$ 476,823.02

**REVENUE INTO GENERAL FUND FROM FINES as of 6/19/15**

	FY 15
AMERICAN MIDWEST OIL AND GAS CORP	1/23/2015 \$ 5,000.00
BENSUN ENERGY	11/21/2014 \$ 130.00
BLACK BUTTE DRILLING LLC	1/21/2015 \$ 1,000.00
BOH INCORPORATED	3/27/2015 \$ 140.00
BUCKLEY PRODUCING CO	12/22/2015 \$ 60.00
CENTRAL MONTANA RESOURCES LLC	9/12/2014 \$ 320.00
CGC LLC/GRYNBERG, JACK	1/30/2015 \$ 70.00
DANIELSON PATRICIA/DANIELSON, LLOYD	10/3/2014 \$ 70.00
DELPHI INTERNATIONAL INC	1/30/2015 \$ 80.00
GUARDIAN EXPLORATION INC	5/20/2015 \$ 1,220.00
HABETS GLEN	9/17/2014 \$ 90.00
HAWLEY HYDROCARBONS	12/19/2015 \$ 2,500.00
JHR SPECIAL/RANKIN, PAUL	8/27/2014 \$ 80.00
JHR SPECIAL/RANKIN, PAUL	6/5/2015 \$ 60.00
KENNETH KLANIKA - STATOIL OIL AND GAS	3/20/2015 \$ 140.00
KNAUP HARRY AND LUCILLE	2/6/2015 \$ 70.00
LONGSHOT OIL LLC	1/30/2015 \$ 80.00
MCOIL MONTANA ONE LLC	10/17/2014 \$ 80.00
MCOIL MONTANA ONE LLC	1/16/2015 \$ 80.00
MILLER CHRISTOPHER D/MILLER, CHRISTOPHER D	8/15/2014 \$ 1,120.00
PRIMARY PETROLEUM COMPANY LLC	10/8/2014 \$ 100.00
QUINQUE OIL	2/6/2015 \$ 80.00
SBG SHERIDAN FACILITY LLC	2/6/2015 \$ 60.00
SBG SHERIDAN FACILITY LLC	3/20/2015 \$ 500.00
SEYMOUR OIL AND GAS	4/21/2015 \$ 260.00
SOUTHWESTERN ENERGY COMPANY	9/5/2014 \$ 90.00
STEALTH ENERGY USA INC	9/12/2014 \$ 90.00
STEALTH ENERGY USA INC	2/9/2015 \$ 70.00
WEXCO RESOURCES	4/6/2015 \$ 1,000.00
<b>TOTAL</b>	<b>\$ 14,640.00</b>

**GRANT BALANCES - 6/19/15**

<u>Name</u>	<u>Authorized Amt*</u>	<u>Expended</u>	<u>Balance</u>	
2009 Northern RIT 10-8697	\$ 322,236.00	\$ 203,065.68	\$ 119,170.32	combined into new project 2009 Northern-Southern
2009 Southern RIT 10-8698	\$ 315,219.00	\$ 170,632.44	\$ 144,586.56	grant expires 09-30-15
2011 Southern - Tank Battery 2 RIT 12-8723	\$ 204,951.00	\$ 129,460.17	\$ 75,490.83	grant expires 09-30-15
2011 Northern/Eastern RIT 13-8753	\$ 332,642.00	\$ 193,592.00	\$ 139,050.00	grant expires 12-31-15
2011 Eastern RIT 13-8752	\$ 318,498.00	\$ 316,386.00	\$ 2,112.00	grant expires 12-31-15
* includes match requirement for grant				
<b>TOTALS</b>	<b>\$ 1,493,546.00</b>	<b>\$ 1,013,136.29</b>	<b>\$ 480,409.71</b>	

**CONTRACT BALANCES - 6/19/15**

	<u>Authorized Amt</u>	<u>Expended</u>	<u>Balance</u>	
MT Tech - Elm Coulee EOR Study (MOU 127220)	\$ 863,905.00	\$ 426,736.92	\$ 437,168.08	exp 12-31-17
C-Brewer - Big Wall Tank Battery (OG-CB-155)	\$ 96,458.23	\$ 20,967.94	\$ 75,490.29	exp 9-30-15
Liquid Gold Well Service - 11 Eastern (OG-LG-147)	\$ 316,405.00	\$ 277,445.00	\$ 38,960.00	exp 9-30-15
MT Tech - Survey of Native Proppant (SNaP)	\$ 383,101.00	\$ 291,975.80	\$ 91,125.20	exp 9-30-15
Teachers Workshop 2014 and 2015	\$ 96,000.00	\$ 42,085.41	\$ 53,914.59	exp 7-31-15
Agency Legal Services (ALS - Legal) (ALS-2015)	\$ 65,000.00	\$ 53,429.21	\$ 11,570.79	exp 6-30-16
Automated Maintenance Services, Inc. (OG-AMS-149)	\$ 21,484.00	\$ 18,735.00	\$ 2,749.00	exp 6-30-15
Liquid Gold Well Service -- 11 Northern/Eastern	\$ 201,325.00	\$ 75,691.80	\$ 125,633.20	exp 6-30-15
Liquid Gold Well Service, Inc. - 09 Northern-Southern (OG-LG-154)	\$ 263,756.00	\$ -	\$ 263,756.00	exp 6-30-15
Central Avenue Mall FY 14	\$ 400.00	\$ 400.00	\$ -	exp 5-31-15
HydroSolutions - EPA Primacy Class VI Injection (DNR12-2558T)	\$ 57,156.00	\$ 56,392.11	\$ 763.89	exp 5-31-15
MT Tech - Procedures Manual/Field Inspection System	\$ 32,699.00	\$ 8,564.72	\$ 24,134.28	exp 8-30-14
ALL Consulting - Server System Migration	\$ 21,000.00	\$ 21,000.00	\$ -	exp 7-16-14
ALL Consulting - Update Data Mining	\$ 28,000.00	\$ 28,000.00	\$ -	exp 7-16-14
	<b>\$ 2,446,689.23</b>	<b>\$ 1,321,423.91</b>	<b>\$ 1,125,265.32</b>	

**ALS Expenditures 7/1/15 thru 6/4/2015**

<u>Case</u>	<u>Amt Spent</u>	<u>Last Svc Date</u>
BOGC Duties	\$ 24,380.68	6/4/2015
Hekkel v BOGC	\$ 13,367.49	6/4/2015
CCRC vs. Board	\$ 15,518.69	6/4/2015
Ostby	\$ 162.35	6/4/2015
<b>Total</b>	<b>\$ 53,429.21</b>	

## Plugging and Reclamation Priority

# MONTANA BOARD OF OIL AND GAS CONSERVATION

## ORPHANED OR PRE-REGULATORY WELL INSPECTION REPORT

WELL NAME: \_\_\_\_\_ API #: 25- \_\_\_\_\_

INSPECTOR: \_\_\_\_\_ DATE: \_\_\_\_\_

Total Ranking \_\_\_\_\_ = Well Status \_\_\_\_\_ + Loc. Status \_\_\_\_\_

**DESCRIPTION OF CONDITIONS OR STATUS OF WELL AND/OR LOCATION**

WELL STATUS RANKING	POINTS
Leaking H <sub>2</sub> S or natural gas with or without wellhead; <u>or</u> a cased well with intact wellhead and significant pressure from gas or sour gas.	12
Leaking water and/or oil with or without wellhead; <u>or</u> a cased well with intact wellhead and sufficient pressure to flow water or oil.	10
No production casing, open hole or open surface casing; no flow.	8
Open production casing, no wellhead, and no flow.	6
Unplugged well with intact wellhead, unknown plugging requirements <sup>(1)</sup> , surface problems (pits, erosion, etc.)	4
Unplugged well with intact wellhead, unknown plugging requirements, no apparent surface or underground problems; <u>or an assumed properly plugged well with significant surface restoration required.</u>	3
Unplugged well with intact wellhead, known plugging requirements and no apparent surface or underground problems.	2

<sup>(1)</sup>Downhole condition/configuration unknown.

WELL LOCATION RANKING	POINTS
In a primary water supply aquifer or within ½ mile of public water supply well(s) or within ½ mile of surface water used for public water supply.	7
Within ¼ mile of any public building or area that may be used as a place of resort, assembly, education, entertainment, lodging, trade, traffic or occupancy by the public.	6
Within ¼ mile of a residence or private water supply well.	5
Within ¼ mile of surface water or wetland.	4
Within ¼ mile of residential or urban development, or irrigated agriculture.	3
On active (non-irrigated) agricultural land.	2
In non-agricultural land, pasture, grazing or similar area.	1

# Montana Board Of Oil and Gas

## Orphan Well List, by Rank

6/23/2015

08321082	BERCO RESOURCES, INC.	KOPP #1	Twp: 24 N	Rge: 57 E	Sec: 10 W2 NE SW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 12		Well Location: 1	Ranking: 13
Comments: Abandoned well with cut off casing. Oil stain at surface, and upon excavation a casing stub leaking oil, water, and gas with minor H2S. Will require re-entry and replugging.						Pending Grant Application <input type="checkbox"/>
01505050	WILLISTON OIL & GAS	FLACK 1	Twp: 28 N	Rge: 11 E	Sec: 12 NE NE SE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 10		Well Location: 2	Ranking: 12
Comments: Old dry hole from 1928 leaking wtr to sfc alongside 12-3/4" csg that extends 4' above sfc on winter wheatfield. Two large pits built to contain waters from slow leak to sfc. Well is in SESENE and not NENESE as indicated by records. Old wire rope, bricks, wood and oilfield debris exists on-site along w/a farmer's rockpile garbage pit at SW end of site. Periodic gas bubbles seen coming up thru water alongside well.						Pending Grant Application <input type="checkbox"/>
00505020	MONTANA CANADIAN OIL CO.	SPRINKLE 1	Twp: 31 N	Rge: 20 E	Sec: 19 E2 SE SW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 10		Well Location: 1	Ranking: 11
Comments: Wellhead, 7" casing with slow flow of water. Well located at the edge of crop land. Eagle top at 600' according to well records.						Pending Grant Application <input type="checkbox"/>
00305205	ROCKY MOUNTAIN OPERATING CO., INC.	KENDRICK 3	Twp: 1 S	Rge: 35 E	Sec: 6 NW NW NW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 9		Well Location: 1	Ranking: 10
Comments: Oil well shut in with equipment, rods, tubing and pump jack. Well pressured up. No pits. Originally funded under 2007 Southern Grant but landowner requested it no be plugged. Being used as a water well upon last inspection; no water right filed.						Pending Grant Application <input type="checkbox"/>
07521766	COLUMBUS ENERGY CORP.	ANNA POWELL 9-9-53-10	Twp: 9 S	Rge: 53 E	Sec: 9 C NW SE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Surface Restoration		Performed:	Well Status: 8		Well Location: 1	Ranking: 9
Comments: Well leaking water between surface casing and production casing strings. Assume water is coming from Fox Hills formation. Water is fresh. Well is plugged down production casing. Dryhole marker set. Inspected 6/24/07, Hystad. Inspection 2/18/15, Popp/Mercier. This well is included in the 2015 Southern District grant application.						Pending Grant Application <input type="checkbox"/>
05505097	NATIVE AMERICAN ENERGY GROUP, INC.	BEERY 22-24	Twp: 23 N	Rge: 49 E	Sec: 24 C SE NW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration		Performed:	Well Status: 3		Well Location: 5	Ranking: 8
Comments: Inspection 10/9/2012 RP No pumping unit, rods and tubing in well. Production Tanks, Treater, Pumping unit off well Lots of junk iron, wood and pipe on location. 1-Flare pit. Native American Energy Group, Inc. bond forfeited at Board of Oil & Gas "Show Cause" hearing June 6, 2013.						Pending Grant Application <input type="checkbox"/>

05521124	NATIVE AMERICAN ENERGY GROUP, INC.	BEERY 2	Twp: 23 N	Rge: 49 E	Sec: 24 S2 NE NE	<u>Funding Approved</u>	<input type="checkbox"/>	
Required: Plugging and Restoration	Performed:	Well Status: 4	Well Location: 2	Ranking: 6		DMA Candidate	<input type="checkbox"/>	
Comments:	Inspection 10/0/2012 RP Tubing and rods laid out next to well. Assume 3 joints tubing in wellhead, not a full string. Well is capable of flowing. Flowline has leaked in the past. Well currently shut in at the wellhead. Wellsite has vegetation, junk, wood, barrels, pipe and fittings scattered about. Tubing and rods. Production tanks, no treater, pumping unit. 1-Flare pit. 1-Emergency catch pit next to flowline leak. Native American Energy Group, Inc. bond forfeited at Board of Oil & Gas "Show Cause" hearing June 6, 2013.						Pending Grant Application	<input type="checkbox"/>
08321352	TENNECO OIL COMPANY	OBERGFELL 1-33	Twp: 23 N	Rge: 57 E	Sec: 33 SE SE	<u>Funding Approved</u>	<input type="checkbox"/>	
Required: Surface Restoration	Performed:	Well Status: 5	Well Location: 1	Ranking: 6		DMA Candidate	<input type="checkbox"/>	
Comments:	Natural spring or seep appears to be impacted by drainage from reserve pit; (MBMG review of water analysis).						Pending Grant Application	<input type="checkbox"/>
08521020	NATIVE AMERICAN ENERGY GROUP, INC.	MASON 7-16	Twp: 29 N	Rge: 50 E	Sec: 7 SE SE	<u>Funding Approved</u>	<input type="checkbox"/>	
Required: Plugging and Restoration	Performed:	Well Status: 4	Well Location: 2	Ranking: 6		DMA Candidate	<input type="checkbox"/>	
Comments:	Operator defaulted on bond.  Native American Energy Group, Inc. acquired mineral lease under this well and filed a "Change of Operator", 12/20/05. Native American Energy Group, Inc. bond forfeited at Board of Oil & Gas "Show Cause" hearing June 6, 2013.						Pending Grant Application	<input type="checkbox"/>
10110309	DANIELSON, PATRICIA, OIL	DANIELSON 1	Twp: 35 N	Rge: 1 W	Sec: 21 NE SW NW	<u>Funding Approved</u>	<input type="checkbox"/>	
Required: Plugging and Restoration	Performed:	Well Status: 4	Well Location: 2	Ranking: 6		DMA Candidate	<input type="checkbox"/>	
Comments:	Old SLOW with rods and tubing. No pumping unit. Open pit and trench. Site needs major cleanup. Farm house within 1/4 mile.						Pending Grant Application	<input type="checkbox"/>
01921130	NORTH AMERICAN TECHNICAL TRADING	GENDREAU 1-24	Twp: 34 N	Rge: 47 E	Sec: 24 SW NE	<u>Funding Approved</u>	<input type="checkbox"/>	
Required: Plugging and Restoration	Performed:	Well Status: 3	Well Location: 2	Ranking: 5		DMA Candidate	<input type="checkbox"/>	
Comments:	Shut in oil well. Operator forfeited bond by Order 255-2011, done August 11, 2011. All equipment sold at Sheriff's auction. All equipment removed from location. No pits. 4 rig anchors  2013 Eastern District Orphaned Well P&A grant.						Pending Grant Application	<input type="checkbox"/>
01921095	NORTH AMERICAN TECHNICAL TRADING	FUGERE 4-19	Twp: 34 N	Rge: 48 E	Sec: 19 SW SW	<u>Funding Approved</u>	<input type="checkbox"/>	
Required: Plugging and Restoration	Performed:	Well Status: 3	Well Location: 2	Ranking: 5		DMA Candidate	<input type="checkbox"/>	
Comments:	Shut in oil well. Operator forfeited bond by Order 255-2011, done August 11, 2011. All equipment sold at Sheriff's auction. All equipment removed from location. No pits. 4 rig anchors on location.  2013 Eastern District Orphaned Well P&A grant.						Pending Grant Application	<input type="checkbox"/>
02705158	EMMONS ETAL	NORHEIM 3	Twp: 21 N	Rge: 18 E	Sec: 5 W2 NW NW	<u>Funding Approved</u>	<input type="checkbox"/>	
Required: Plugging and Restoration	Performed:	Well Status: 4	Well Location: 1	Ranking: 5		DMA Candidate	<input type="checkbox"/>	
Comments:	Shut in gas well. Low pressure well 16 psig according to file information. 12 1/2" casing swedged to 2" and valved at the surface.  Surface owner claims wells, Duane Kucera and two other wells nearby. Fraser 4/12/10.						Pending Grant Application	<input type="checkbox"/>

06921051	ALPHA PETROLEUM CORP. & JAMES C. LA	ARB 1	Twp: 13 N	Rge: 28 E	Sec: 26	C NE NE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration	Performed:		Well Status: 4	Well Location: 1	Ranking: 5		DMA Candidate <input type="checkbox"/>
Comments: Well shown as P&A approved. 8-5/8" csg w/wellhead at sfc. 4-1/2" csg thru sfc head and used as dry hole monument. Well inspection in 1998 shows same condition as present condition. Above ground monument has a pipe clamp at approximately eye level and has apparently leaked at that level previously. There is a corrosion hole in 4-1/2" at the level of the sfc head. Water is at the level of the hole and standing. Appears to periodically leak from hole out to sfc of the location. Vegetation is dead around wellhead. Deadment has been installed. Four are present. Viewed well at the request of the land owner, Dustin Ingersol. Water is entering the 4-1/2" csg and rising to the sfc. Question the integrity of the cmt job or the CIBP.							Pending Grant Application <input type="checkbox"/>
10100001			Twp:	Rge:	Sec:		<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration	Performed:		Well Status:	Well Location:	Ranking: 4		DMA Candidate <input type="checkbox"/>
Comments: UNIDENTIFIED GAS WELL, N/2 NE SE SW 15-34N-1W, APPROX. 1150 FSL & 2300 FWL; 7" CSG ABOVE GROUND, FLOWLINE; OPEN 8 5/8 W/ PLUG LOCATED SHORT DISTANCE AWAY							Pending Grant Application <input type="checkbox"/>
01921075	NORTH AMERICAN TECHNICAL TRADING	SATURN STATE 1	Twp: 34 N	Rge: 47 E	Sec: 24	NW NW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration	Performed:		Well Status: 3	Well Location: 1	Ranking: 4		DMA Candidate <input type="checkbox"/>
Comments: Shut in oil well. Operator forfeited bond by Order 255-2011, done August 11, 2011. All equipment sold at sheriff's auction. All equipment removed from location. One small pit on location, 4 rig anchors.							Pending Grant Application <input type="checkbox"/>
2013 Eastern District Orphaned Well P&A grant.							
01921085	NORTH AMERICAN TECHNICAL TRADING	FISHER 1-24	Twp: 34 N	Rge: 47 E	Sec: 24	SE SW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration	Performed:		Well Status: 3	Well Location: 1	Ranking: 4		DMA Candidate <input type="checkbox"/>
Comments: Shut in SWD, injection well. Operator forfeited bond by Order 255-2011, done August 11, 2011. All equipment sold at Sheriff's auction. All equipment removed from location. No pits. 4 rig anchors.							Pending Grant Application <input type="checkbox"/>
2013 Southern District Orphaned Well P&A grant.							
01921084	NORTH AMERICAN TECHNICAL TRADING	FUGERE 1	Twp: 34 N	Rge: 48 E	Sec: 30	NW NW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration	Performed:		Well Status: 3	Well Location: 1	Ranking: 4		DMA Candidate <input type="checkbox"/>
Comments: Shut in oil well. Operator forfeited bond by Order 255-2011, done August 11, 2011. All equipment sold at Sheriff's auction. All equipment still at battery location. No pits. 4 rig anchors.							Pending Grant Application <input type="checkbox"/>
2013/ 2015 Northeastern District Orphaned Well P&A grant.							
01921091	NORTH AMERICAN TECHNICAL TRADING	FUGERE 3-30	Twp: 34 N	Rge: 48 E	Sec: 30	SE NW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration	Performed:		Well Status: 3	Well Location: 1	Ranking: 4		DMA Candidate <input type="checkbox"/>
Comments: Shut in SWD. Operator forfeited bond by Order 255-2011, done August 11, 2011. Building over wellhead. 4 rig anchors.							Pending Grant Application <input type="checkbox"/>
2013 Southern District Orphaned Well P&A grant.							

02505106	MONARCH OIL & GAS	WM WAGNER 2	Twp: 5 N	Rge: 60 E	Sec: 5 C SW NW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			DMA Candidate <input type="checkbox"/>
Well Status: 0			Well Location: 4			Ranking: 4
Comments: Inspected DH 6/22/09. Production casing with valve. Within 1/4 mile of surface water. Surface ok, hay field.						Pending Grant Application <input type="checkbox"/>
2013 Southern District Orphaned Well P&A grant.						
03505040	PARDUE A R	ANDERSON #1	Twp: 32 N	Rge: 5 W	Sec: 31 C SE SW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			DMA Candidate <input type="checkbox"/>
Well Status: 2			Well Location: 2			Ranking: 4
Comments: 13 3/8 in casing at 18" below GL. No Leaking. Collar looking up. Near 15 sec for rock to hit solid. Site on cropland stubble. No record of being plugged. Inspected by Bill Halvorson 5/29/2014.						Pending Grant Application <input type="checkbox"/>
04160027	INDEPENDENT NATURAL GAS CO.	AULT 1	Twp: 32 N	Rge: 17 E	Sec: 8 SE SW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			DMA Candidate <input type="checkbox"/>
Well Status: 3			Well Location: 1			Ranking: 4
Comments: Well head, no pit, no leaks, and minor refuse						Pending Grant Application <input type="checkbox"/>
04105070	BRONSON, C.R.	AGORETTA 1	Twp: 34 N	Rge: 17 E	Sec: 33 NW NW SE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			DMA Candidate <input type="checkbox"/>
Well Status: 3			Well Location: 1			Ranking: 4
Comments: Wellhead remains, no leaks. Site on grass/pasture land.						Pending Grant Application <input type="checkbox"/>
07522244	ROCKY MOUNTAIN GAS, INC.	CASTLE ROCK 1P	Twp: 5 S	Rge: 48 E	Sec: 18 NE NW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			DMA Candidate <input type="checkbox"/>
Well Status: 2			Well Location: 2			Ranking: 4
Comments: Shut in CBM well with downhole equipment. Surface owner does not want to acquire per field inspector Hystad.. Bond Forfeited by Order 87-2010, done April 29, 2010.						Pending Grant Application <input type="checkbox"/>
Included in the 2015 Southern District grant request.						
07522245	ROCKY MOUNTAIN GAS, INC.	CASTLE ROCK 2P	Twp: 5 S	Rge: 48 E	Sec: 18 SW SW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			DMA Candidate <input type="checkbox"/>
Well Status: 2			Well Location: 2			Ranking: 4
Comments: Shut in CBM well with downhole equipment. Surface owner does not want to acquire per field inspector Hystad.. Bond Forfeited by Order 87-2010, done April 29, 2010.						Pending Grant Application <input type="checkbox"/>
Included in the 2015 Southern District Orphaned Well P&A grant request.						
07522246	ROCKY MOUNTAIN GAS, INC.	CASTLE ROCK 3P	Twp: 5 S	Rge: 48 E	Sec: 18 NE SE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			DMA Candidate <input type="checkbox"/>
Well Status: 2			Well Location: 2			Ranking: 4
Comments: Shut in CBM well with downhole equipment. Surface owner does not want to acquire per field inspector Hystad.. Bond Forfeited by Order 87-2010, done April 29, 2010.						Pending Grant Application <input type="checkbox"/>
Included in the 2015 Southern District Orphaned Well P&A grant request.						

07522247	ROCKY MOUNTAIN GAS, INC.	CASTLE ROCK 4P	Twp: 5 S	Rge: 48 E	Sec: 18 NE NE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 2 Well Location: 2 Ranking: 4
Comments: Shut in CBM well with downhole equipment. Surface owner does not want to acquire per field inspector Hystad.. Bond Forfeited by Order 87-2010, done April 29, 2010.						DMA Candidate <input type="checkbox"/>
Included in the 2015 Southern District Orphaned Well P&A grant request.						Pending Grant Application <input type="checkbox"/>
07522248	ROCKY MOUNTAIN GAS, INC.	CASTLE ROCK 5AP	Twp: 5 S	Rge: 48 E	Sec: 18 NW SE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 2 Well Location: 2 Ranking: 4
Comments: Shut in CBM well with downhole equipment. Surface owner does not want to acquire per field inspector Hystad. Bond Forfeited by Order 87-2010, done April 29, 2010.						DMA Candidate <input type="checkbox"/>
Included in the 2015 Southern District Orphaned Well P&A grant request.						Pending Grant Application <input type="checkbox"/>
07522255	ROCKY MOUNTAIN GAS, INC.	CASTLE ROCK 6AP	Twp: 6 S	Rge: 48 E	Sec: 18 SE NE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 2 Well Location: 2 Ranking: 4
Comments: Shut in CBM well with downhole equipment. Surface owner does not want to acquire per field inspector Hystad. Bond Forfeited by Order 87-2010, done April 29, 2010.						DMA Candidate <input type="checkbox"/>
Included in the 2015 Southern District Orphaned Well P&A grant request.						Pending Grant Application <input type="checkbox"/>
08521678	MSC EXPLORATION LP	20105 JV-P LOCKMAN 1	Twp: 28 N	Rge: 51 E	Sec: 19 NW NW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 2 Well Location: 2 Ranking: 4
Comments: Shut in gas well. MSC Exploration LP bond forfeited by Order 258-2011, done August 11, 2011. Wellhead equipment, rods, 2 3/8" tubing, pump and anchor. Surface is farmed fields.						DMA Candidate <input type="checkbox"/>
2013 /2015 Northeastern District Orphaned Well P&A grant.						Pending Grant Application <input type="checkbox"/>
10111336	AGEN, J. H.	GOEDDERTZ 1	Twp: 35 N	Rge: 3 W	Sec: 26 NE NW SW	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 3 Well Location: 1 Ranking: 4
Comments: 8 5/8 casing 1 ft above surface that is open. Not leaking. Possibel fill/plug 20 ft down. Some minor debris on site. Mound of drill cuttings nearby.						DMA Candidate <input type="checkbox"/>
Pending Grant Application <input type="checkbox"/>						
10105444	ROSSMILLER, DUARD & ELMER ROSSMILL	ADAMS 9	Twp: 34 N	Rge: 2 W	Sec: 12 C NE SE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Surface Restoration			Performed:			Well Status: 1 Well Location: 3 Ranking: 4
Comments: Appears P&A'd - assumed properly. 2 ft sunken hole where casing was believed burried. No leaking evident. Evap pit turned to garbage pit. Lots of debris/garbage. Signifigant cleanup needed.						DMA Candidate <input type="checkbox"/>
Pending Grant Application <input type="checkbox"/>						
10111743	UNKNOWN	UNKNOWN UNKNOWN	Twp: 35 N	Rge: 2 W	Sec: 11 W2 SE SE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 3 Well Location: 1 Ranking: 4
Comments: Open 6 5/8" casing 1 ft above surface. 2 ft down has mushy/old drilling fluid in hole. 40' east of well is small sunken pit area. Sfc restored, on grassland.						DMA Candidate <input type="checkbox"/>
Pending Grant Application <input type="checkbox"/>						
10106034	ADAMS-HESLA OIL	MCMANUS 6	Twp: 35 N	Rge: 2 W	Sec: 21 S2 SE SE	<u>Funding Approved</u> <input type="checkbox"/>
Required: Plugging and Restoration			Performed:			Well Status: 2 Well Location: 2 Ranking: 4
Comments: Added based upon 3/11/1999 inspection; casing w/ wellhead, small pit, tools & equipment on location.						DMA Candidate <input type="checkbox"/>
Pending Grant Application <input type="checkbox"/>						

08521679	MSC EXPLORATION LP	20105 JV-P CLARK 1	Twp: 29 N	Rge: 50 E	Sec: 29 SW SE	<u>Funding Approved</u> <input type="checkbox"/>
Required:	Plugging and Restoration	Performed:	Well Status: 2	Well Location: 1	Ranking: 3	DMA Candidate <input type="checkbox"/>
Comments:	Shut in gas well. MSC Exploration LP bond forfeited by Order 258-2011, done August 11, 2011. Wellhead, rods, 2 3/8" tubing, pump and anchor. Surface use is grassland.					Pending Grant Application <input type="checkbox"/>
2013 /2015 Eastern District Orphaned Well P&A grant.						
10121897	GENERAL WELL SERVICE INC.	HJARTARSEN 4-8	Twp: 32 N	Rge: 4 W	Sec: 8 SE NW NW	<u>Funding Approved</u> <input type="checkbox"/>
Required:	Surface Restoration	Performed:	Well Status: 1	Well Location: 1	Ranking: 2	DMA Candidate <input type="checkbox"/>
Comments:	7" surface casing collar at ground level. Collar and casing need to be cut off 3' below ground level and capped. Inspected 10/13/09 BH.					Pending Grant Application <input type="checkbox"/>
10107142	COOLIDGE AND COOLIDGE, INC.	STATE 10-A	Twp: 36 N	Rge: 2 W	Sec: 36 SE NE SW	<u>Funding Approved</u> <input type="checkbox"/>
Required:	Surface Restoration	Performed:	Well Status: 1	Well Location: 1	Ranking: 2	DMA Candidate <input type="checkbox"/>
Comments:	Appears P&A'd - assumed properly. No leaking. Revegetated. Sunk 1 ft where wellhead buried. Site needs 2" pipe pulled out of ground and clean up of old wood, wire ropes, and metal piece/debris. Actual location 1650 FSL and 1650 FWL.					Pending Grant Application <input type="checkbox"/>
10110739	TEXAS PACIFIC COAL & OIL CO.	STATE 30	Twp: 35 N	Rge: 2 W	Sec: 36 W2 NE NE	<u>Funding Approved</u> <input type="checkbox"/>
Required:	Surface Restoration	Performed:	Well Status: 0	Well Location: 1	Ranking: 1	DMA Candidate <input type="checkbox"/>
Comments:	Old rod line left on location. Well appears plugged and surface restored.					Pending Grant Application <input type="checkbox"/>
08521256	NATIVE AMERICAN ENERGY GROUP, INC.	COX 7-1	Twp: 29 N	Rge: 50 E	Sec: 7 NE NE	<u>Funding Approved</u> <input type="checkbox"/>
Required:	Plugging and Restoration	Performed:	Well Status:	Well Location:	Ranking:	DMA Candidate <input type="checkbox"/>
Comments:	Native American Energy Group, Inc. bond forfeited at Board of Oil & Gas "Show Cause" hearing on June 6, 2013					Pending Grant Application <input type="checkbox"/>
10106012	HESLA OIL CO	MCMANUS 12	Twp: 35 N	Rge: 2 W	Sec: 21 SE SE	<u>Funding Approved</u> <input type="checkbox"/>
Required:	Plugging and Restoration	Performed:	Well Status: 2	Well Location: 5	Ranking:	DMA Candidate <input type="checkbox"/>
Comments:	Added based upon 3/8/1999 inspection; unplugged well with rods & tubing.					Pending Grant Application <input type="checkbox"/>
10521297	ZIMMERMAN, BRENT	HERINGER 11-21	Twp: 30 N	Rge: 44 E	Sec: 11 NE NW	<u>Funding Approved</u> <input type="checkbox"/>
Required:	Plugging and Restoration	Performed:	Well Status:	Well Location:	Ranking:	DMA Candidate <input type="checkbox"/>
Comments:						Pending Grant Application <input type="checkbox"/>
10521278	NATIVE AMERICAN ENERGY GROUP, INC.	SANDVICK 1-11	Twp: 31 N	Rge: 44 E	Sec: 11 SW NW	<u>Funding Approved</u> <input type="checkbox"/>
Required:	Plugging and Restoration	Performed:	Well Status:	Well Location:	Ranking:	DMA Candidate <input type="checkbox"/>
Comments:	Native American Energy Group, Inc. bond forfeited at Board of Oil & Gas "Show Cause" hearing June 6, 2013.					Pending Grant Application <input type="checkbox"/>

## Bond Summary

# Montana Board of Oil and Gas Conservation Summary of Bond Activity

4/27/2015 Through 6/22/2015

## Approved

Avery Bakken Disposals, LLC Stanley ND	694 T2	Approved Amount: Purpose:	5/6/2015 \$10,000.00 UIC Single Well Bond
Certificate of Deposit	\$10,000.00 STOCKMAN BANK, SIDNEY		
Grassy Butte LLC Williston ND	788 T2	Approved Amount: Purpose:	5/27/2015 \$10,000.00 UIC Single Well Bond
Certificate of Deposit	\$10,000.00 FIRST INTERSTATE BANK		
Grassy Butte LLC Williston ND	788 T1	Approved Amount: Purpose:	5/27/2015 \$10,000.00 UIC Single Well Bond
Certificate of Deposit	\$10,000.00 FIRST INTERSTATE BANK		
Grassy Butte LLC Williston ND	788 G2	Approved Amount: Purpose:	5/27/2015 \$5,000.00 Single Well Bond
Certificate of Deposit	\$5,000.00 FIRST INTERSTATE BANK		
Grassy Butte LLC Williston ND	788 G1	Approved Amount: Purpose:	5/27/2015 \$5,000.00 Single Well Bond
Certificate of Deposit	\$5,000.00 FIRST INTERSTATE BANK		
Impact Global Resources, LLC Phoenix AZ	784 G1	Approved Amount: Purpose:	6/17/2015 \$10,000.00 Single Well Bond
Certificate of Deposit	\$10,000.00 FIRST INTERSTATE BANK		
M & M Farms Shelby MT	781 D2	Approved Amount: Purpose:	6/16/2015 \$5,000.00 Domestic Well Bond
Certificate of Deposit	\$5,000.00 Stockman Bank, Conrad		
M & M Farms Shelby MT	781 D1	Approved Amount: Purpose:	6/16/2015 \$5,000.00 Domestic Well Bond
Certificate of Deposit	\$5,000.00 Stockman Bank, Conrad		
MCR, LLC Shelby MT	399 T9	Approved Amount: Purpose:	5/8/2015 \$5,000.00 UIC Single Well Bond
Certificate of Deposit	\$5,000.00 FIRST STATE BANK OF SHELBY		
New Western Montana Oil and Gas Corp. Irvine CA	782 G1	Approved Amount: Purpose:	6/16/2015 \$10,000.00 Single Well Bond
Certificate of Deposit	\$10,000.00 FIRST INTERSTATE BANK		

# Montana Board of Oil and Gas Conservation Summary of Bond Activity

4/27/2015 Through 6/22/2015

## Approved

New Western Montana Oil and Gas Corp. Irvine CA	782 G2	Approved	6/16/2015
		Amount:	\$10,000.00
		Purpose:	Single Well Bond
Certificate of Deposit	\$10,000.00	FIRST INTERSTATE BANK	

Thor Resources USA, LLC Calgary AB	732 G3	Approved	6/12/2015
		Amount:	\$10,000.00
		Purpose:	Single Well Bond
Certificate of Deposit	\$10,000.00	FIRST STATE BANK OF SHELBY	

## Forfeited

P&P Industries LLC 1 Lambert MT	747 T1	Forfeited	5/18/2015
		Amount:	\$10,000.00
		Purpose:	UIC Single Well Bond
Certificate of Deposit	\$10,000.00	STOCKMAN BANK, SIDNEY	

## Released

Burlington Resources Oil & Gas Company LP Houston TX	5000 V1	Released	6/18/2015
		Amount:	\$400,000.00
		Purpose:	UIC Blanket Bond
Surety Bond	\$400,000.00	Liberty Mutual Insurance Company	
Surety Bond	\$400,000.00	TRAVELERS CASUALTY & SURETY CO. OF AMERICA	

Comet Ridge Montana, LLC Denver CO	714 M1	Released	5/19/2015
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Surety Bond	\$50,000.00	RLI INSURANCE COMPANY	

ConocoPhillips Company Houston TX	373 M1	Released	6/17/2015
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Surety Bond	\$25,000.00	SAFECO INSURANCE CO. OF AMERICA	
Surety Bond	\$25,000.00	TRAVELERS CASUALTY & SURETY CO, HARTFORD	

Marathon Oil Company Houston TX	4645 M1	Released	5/1/2015
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Surety Bond	\$50,000.00	SAFECO INSURANCE CO. OF AMERICA	

Petroshale Energy, LLC Henderson NV	689 M1	Released	5/29/2015
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Certificate of Deposit	\$50,000.00	FIRST INTERSTATE BANK	

Prima Exploration, Inc. Denver CO	246 T1	Released	6/18/2015
		Amount:	\$10,000.00
		Purpose:	UIC Single Well Bond
Certificate of Deposit	\$10,000.00	FIRST INTERSTATE BANK	

Montana Board of Oil and Gas Conservation  
Summary of Bond Activity

4/27/2015 Through 6/22/2015

**Released**

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Wind River Hydrocarbons, Inc. Aurora CO	682 G2	Released	5/22/2015
		Amount:	\$10,000.00
		Purpose:	Single Well Bond
Certificate of Deposit	\$10,000.00	Wells Fargo Bank Montana	

# Spill / Incident Report

# Incident Report

Company	Responsibility	Date	Incident	Oil Released	Water Released	Source	Contained	Latitude	Longitude	County	T-R-S
Continental Resources Inc	BOG	1/1/2015	Spill or Release	4 Gallons		Flare Pit	No	47.88306	-104.62286	Richland	25N-55E-28 SESW
Denbury Onshore, LLC	FED	1/2/2015	Spill or Release		8 Barrels	Tank or Tank Battery	Yes	46.11315	-104.05363	Fallon	4N-62E-8 SWSW
Denbury Onshore, LLC	BOG	1/2/2015	Spill or Release	2 Barrels	5 Barrels	Well Head	Yes	46.44434	-104.31494	Fallon	8N-59E-14 NESW
EOG Resources, Inc.	BOG	1/5/2015	Spill or Release		20 Barrels	Tank or Tank Battery	No	48.21738	-104.30575	Roosevelt	29N-57E-33 SESE
Continental Resources Inc	BOG	1/7/2015	Spill or Release		154 Barrels	Tank or Tank Battery	Yes	47.73170	-104.50499	Richland	23N-56E-26 NWNW
Anadarko Minerals, Inc.	FED	1/8/2015	Spill or Release		110 Barrels	Tank or Tank Battery	Yes	48.41997	-106.04504	Valley	31N-44E-30 NENE
Continental Resources Inc	BOG	1/10/2015	Spill or Release		174 Barrels	Tank or Tank Battery	Yes	47.73170	-104.50499	Richland	23N-56E-26 NWNW
True Oil LLC	BOG	1/12/2015	Fire	20 Barrels		Tank or Tank Battery	Yes	46.84148	-107.52696	Rosebud	13N-33E-34 NWSW
Hofland, James D.	BOG	1/12/2015	Spill or Release	8 Barrels		Flow Line - Production	No	48.81061	-111.95565	Toole	35N-3W-11 NWNE
Denbury Onshore, LLC	BOG	1/14/2015	Spill or Release	3 Barrels	110 Barrels	Flow Line - Production	No	46.33791	-104.24707	Fallon	7N-60E-30 NWNE
Poor Boy Oil, LLP	BOG	1/14/2015	Spill or Release		25 Gallons	Tank or Tank Battery	Yes	47.81771	-104.18282	Richland	24N-59E-29 NWNW
Bad Water Disposal, LLP	BOG	1/15/2015	Spill or Release		1 Barrels	Tank or Tank Battery	Yes	47.67583	-104.05933	Richland	22N-60E-7 SESE
SDOCO, LLC	BOG	1/18/2015	Spill or Release	1 Barrels	35 Barrels	Tank or Tank Battery	Yes	46.67190	-107.65522	Rosebud	11N-32E-26 SESE
XTO Energy Inc.	BOG	1/20/2015	Spill or Release		3 Barrels	Tank or Tank Battery	Yes	47.82069	-104.71284	Richland	24N-55E-19 SESW
Continental Resources Inc	BOG	1/21/2015	Spill or Release	2 Barrels		Tank or Tank Battery	Yes	48.15639	-104.36545	Roosevelt	28N-57E-28 NENW
XTO Energy Inc.	BOG	1/23/2015	Spill or Release	6 Barrels		Tank or Tank Battery	Yes	47.70747	-104.37739	Richland	23N-57E-35 SWSW
Bad Water Disposal, LLP	BOG	1/26/2015	Spill or Release	10 Barrels	10 Barrels	Tank or Tank Battery	Yes	47.67583	-104.05933	Richland	22N-60E-7 SESE
Continental Resources Inc	BOG	1/27/2015	Spill or Release	3 Barrels	Barrels	Flow Line - Production	No	47.80408	-104.88285	Richland	24N-53E-35 NENW
Continental Resources Inc	BOG	1/28/2015	Spill or Release	1 Barrels		Flow Line - Production	No	47.81180	-104.88209	Richland	24N-53E-26 NWSE
Denbury Onshore, LLC	BOG	2/2/2015	Spill or Release		21 Gallons	Vessel/Container	Yes	46.98581	-104.78775	Dawson	14N-55E-8 SENW
Denbury Onshore, LLC	BOG	2/7/2015	Spill or Release	15 Barrels	5 Barrels	Tank or Tank Battery	No	46.41723	-104.30816	Fallon	8N-59E-26 SWNE
Encore Energy Partners Operating LLC	BOG	2/12/2015	Fire	1 Barrels		Tank or Tank Battery	Yes	47.80360	-104.10871	Richland	24N-59E-35 NWNE
Denbury Onshore, LLC	FED	2/18/2015	Spill or Release		15 Barrels	Well Head	Yes	46.73386	-104.54694	Wibaux	11N-57E-4 NESE
XTO Energy Inc.	BOG	2/24/2015	Spill or Release		38 Barrels	Tank or Tank Battery	Yes	47.66266	-104.04578	Richland	22N-60E-17 SESW
Shadwell Resources Group, LLC	BOG	2/24/2015	Spill or Release	100 Barrels	1000 Barrels	Tank or Tank Battery	No	47.77552	-104.26780	Richland	23N-58E-10 NWNW
Denbury Onshore, LLC	BOG	2/26/2015	Spill or Release		400 Barrels	Well Head	Yes	46.37025	-104.24297	Fallon	7N-60E-7 SESE
Bad Water Disposal, LLP	BOG	3/4/2015	Spill or Release		10 Gallons	Well Head	Yes	47.67583	-104.05933	Richland	22N-60E-7 SESE
Denbury Onshore, LLC	BOG	3/5/2015	Spill or Release	50 Barrels		Tank or Tank Battery	Yes	47.04868	-104.86599	Dawson	15N-54E-22 NWNE
Denbury Onshore, LLC	FED	3/15/2015	Spill or Release		8 Barrels	Pump Failure	No	46.41723	-104.30816	Fallon	4N-62E-8 SWSW
Anadarko Minerals, Inc.	BOG	3/15/2015	Spill or Release		65 Barrels	Tank or Tank Battery	Yes	48.40195	-106.03544	Valley	31N-44E-32 SENW
Whiting Oil and Gas Corporation	BOG	3/19/2015	Spill or Release	8 Gallons	12 Gallons	Flow Line - Production	No	48.06848	-104.24688	Roosevelt	27N-58E-29 NENE
Denbury Onshore, LLC	BOG	3/22/2015	Spill or Release		200 Barrels	Flow Line - Injection	No	46.37796	-104.17441	Fallon	7N-60E-11 SWNW
Encore Energy Partners Operating LLC	BOG	3/27/2015	Spill or Release	1 Barrels		Flow Line - Production	Yes	47.86003	-104.40236	Richland	24N-57E-9 NENE
Denbury Onshore, LLC	FED	3/29/2015	Fire			Other	No	46.68306	-104.51985	Fallon	11N-57E-26 NWNW
Encore Energy Partners Operating LLC	BOG	3/30/2015	Spill or Release	50 Barrels		Tank or Tank Battery	Yes	47.60360	-104.24249	Richland	21N-58E-2 SESW
Denbury Onshore, LLC	BOG	3/31/2015	Spill or Release		50 Barrels	Flow Line - Injection	Yes	46.38702	-104.19578	Fallon	7N-60E-3 NWSW
Somont Oil Company, Inc.	BOG	4/1/2015	Spill or Release	10 Barrels		Tank or Tank Battery	Yes	48.83512	-111.84455	Toole	36N-2W-34 SENE
Slawson Exploration Company Inc	BOG	4/2/2015	Spill or Release	10 Gallons		Trucking/Transportation	Yes	47.83445	-104.87855	Richland	24N-53E-14 SWSE
Somont Oil Company, Inc.	BOG	4/3/2015	Spill or Release	75 Barrels		Tank or Tank Battery	Yes	48.70129	-111.76615	Toole	34N-1W-17 NESW
Glen Habets	OTR	4/9/2015	Spill or Release			Vessel/Container	No	48.71425	-111.90926	Toole	34N-2W-7 SESE
Denbury Onshore, LLC	BOG	4/10/2015	Spill or Release		3500 Barrels	Flow Line - Injection	No	46.35190	-104.22890	Fallon	7N-60E-20 NWNE
Encore Energy Partners Operating LLC	BOG	4/13/2015	Spill or Release	37 Barrels	38 Barrels	Treater	Yes	47.68672	-104.18216	Richland	22N-59E-8 NWNW
Continental Resources Inc	BOG	4/15/2015	Spill or Release	2 Barrels		Flare Pit	No	47.88306	-104.62286	Richland	25N-55E-28 SESW

Company	Responsibility	Date	Incident	Oil Released	Water Released	Source	Contained	Latitude	Longitude	County	T-R-S
XTO Energy Inc.	BOG	4/17/2015	Spill or Release	2 Gallons		Flare Pit	No	47.81775	-104.71284	Richland	24N-55E-30 NENW
Denbury Onshore, LLC	BOG	4/20/2015	Spill or Release		10 Barrels	Flow Line - Production	Yes	46.32443	-104.13510	Fallon	7N-60E-36 NENE
XTO Energy Inc.	BOG	4/22/2015	Spill or Release	3 Gallons		Flare Pit	No	47.94160	-104.83488	Richland	25N-53E-2 SWSE
SM Energy Company	BOG	4/23/2015	Fire			Flare Pit	No	47.90586	-104.70054	Richland	25N-54E-23 SENE
Denbury Onshore, LLC	BOG	4/23/2015	Spill or Release		45 Barrels	Pump Failure	Yes	46.59033	-104.43075	Fallon	10N-58E-28 NESW
Petro-Hunt, LLC	BOG	4/23/2015	Spill or Release		5 Barrels	Flow Line - Production	No	48.55041	-104.25409	Sheridan	32N-57E-1 S2SW
Denbury Onshore, LLC	BOG	4/28/2015	Spill or Release	2 Barrels	28 Barrels	Flow Line - Production	No	46.73346	-104.73346	Fallon	7N-60E-11 NWSW
Denbury Onshore, LLC	BOG	4/28/2015	Spill or Release	15 Barrels		Tank or Tank Battery	Yes	46.60752	-104.43795	Fallon	10N-58E-21 SWNW
Poor Boy Oil, LLP	BOG	4/30/2015	Spill or Release	1 Barrels		Tank or Tank Battery	Yes	47.81771	-104.18282	Richland	24N-59E-29 NWNW
Oasis Petroleum North America LLC	FED	5/4/2015	Spill or Release	15 Barrels		Well Head	No	48.02523	-104.17338	Richland	26N-58E-12 NENW
XTO Energy Inc.	BOG	5/8/2015	Spill or Release	1 Barrels		Flare Pit	No	47.78003	-104.30862	Richland	23N-58E-5 E2SW
Denbury Onshore, LLC	BOG	5/8/2015	Spill or Release	8 Gallons		Treater	No	47.02508	-104.84303	Dawson	15N-54E-26 NWSE
Whiting Oil and Gas Corporation	BOG	5/14/2015	Spill or Release		28 Barrels	Tank or Tank Battery	Yes	47.89594	-104.19515	Richland	25N-58E-26 NENW
Vanguard Operating, LLC	BOG	5/15/2015	Fire			Flare Pit	No	47.93835	-104.61526	Richland	25N-55E-9 NENE
Bayswater Exploration & Production, LLC	BOG	5/17/2015	Spill or Release		300 Barrels	Flow Line - Production	No	46.62017	-108.36726	Musselshell	10N-27E-19 NENE
Legacy Reserves Operating LP	BOG	5/19/2015	Spill or Release	10 Barrels	40 Barrels	Flow Line - Production	No	48.63085	-104.08340	Sheridan	33N-58E-11 SENE
Bad Water Disposal, LLP	BOG	5/20/2015	Spill or Release	3 Barrels		Flow Line - Injection	No	47.67583	-104.05933	Richland	22N-60E-7 SESE
Poor Boy Oil, LLP	BOG	5/22/2015	Spill or Release	21 Gallons	21 Gallons	Tank or Tank Battery	Yes	47.81771	-104.18282	Richland	24N-59E-29 NWNW
Denbury Onshore, LLC	BOG	5/23/2015	Spill or Release	4 Barrels	20 Barrels	Flow Line - Production	No	46.31841	-104.09630	Fallon	7N-61E-32 SENE
Continental Resources Inc	BOG	5/23/2015	Fire			Flare Pit	No	48.00385	-104.14668	Richland	26N-59E-18 NWSE
Denbury Onshore, LLC	BOG	5/26/2015	Spill or Release	10 Gallons	2	Flow Line - Production	No	46.65071	-104.47277	Fallon	10N-58E-6 SENW
Somont Oil Company, Inc.	BOG	5/27/2015	Spill or Release	1 Barrels	500 Barrels	Flow Line - Injection	No	48.74507	-111.81200	Toole	35N-2W-36 NESW
Shakespeare Oil Co Inc	BOG	5/27/2015	Fire			Treater	Yes	48.85799	-104.92107	Sheridan	36N-52E-21 NESW
Rim Operating, Inc.	BOG	5/29/2015	Spill or Release	25 Barrels		Treater	Yes	47.91336	-104.13393	Richland	25N-59E-17 SWSW
Continental Resources Inc	BOG	5/30/2015	Fire			Flare Pit	No	47.74782	-104.57636	Richland	23N-56E-18 SESE
Denbury Onshore, LLC	BOG	6/3/2015	Spill or Release			Vessel/Container	No	46.32658	-104.15885	Fallon	7N-60E-26 SESE
Enerplus Resources USA Corporation	BOG	6/8/2015	Spill or Release		100 Barrels	Tank or Tank Battery	Yes	47.86664	-104.39707	Richland	24N-57E-3 NWNW
Citation Oil & Gas Corp.	BOG	6/12/2015	Spill or Release	100 Barrels		Tank or Tank Battery	No	48.48350	-109.21076	Blaine	32N-19E-36 SWSW
Wesco Operating, Inc.	BOG	6/16/2015	Spill or Release	10 Barrels	40 Barrels	Tank or Tank Battery	Yes	47.14153	-104.91719	Dawson	16N-54E-17 NESW
True Oil LLC	BOG	6/20/2015	Spill or Release	20 Barrels		Treater	No	48.16556	-104.50776	Roosevelt	28N-56E-20 SENE
EOG Resources, Inc.	BOG	6/22/2015	Spill or Release	25 Barrels		Treater	No	47.96870	-104.92109	Richland	26N-53E-31 NWNE

## Docket Summary

# ALL APPLICATIONS, 6/25/2015

(In Order of Publication)

Docket	Applicant	Status	Request
99-2015	Denbury Onshore, LLC		Enhanced Recovery
100-2015	True Oil LLC	Default	Well Density
101-2015	Kraken Oil & Gas LLC		Spacing
102-2015	Kraken Oil & Gas LLC		Pooling
103-2015	Kraken Oil & Gas LLC		Spacing
104-2015	Kraken Oil & Gas LLC		Pooling
105-2015	Kraken Oil & Gas LLC	Default	Temp. Spacing
106-2015	Kraken Oil & Gas LLC	Default	Spacing Amendment
107-2015	Kraken Oil & Gas LLC		Temp. Spacing
108-2015	Kraken Oil & Gas LLC		Temp. Spacing
109-2015	Kraken Oil & Gas LLC	Default	Temp. Spacing
110-2015	Kraken Oil & Gas LLC	Default	Temp. Spacing
111-2015	Wolf Operating, LLC		Temp. Spacing
112-2015	Wolf Operating, LLC		Temp. Spacing
113-2015	Wolf Operating, LLC		Temp. Spacing
114-2015	Malsam Family LLC & Todd Malsam		Other
115-2015	Petro-Sentinel LLC		Other
116-2015	Synergy Offshore LLC	Continued	Class II Permit
117-2015	Synergy Offshore LLC	Continued	Class II Permit
118-2015	XTO Energy Inc.	Continued	Spacing
119-2015	XTO Energy Inc.	Continued	Pooling
2-2015	Interstate Explorations, LLC	Continued	Spacing
3-2015	Interstate Explorations, LLC	Continued	Pooling
46-2015	Statoil Oil & Gas LP		Pooling
78-2015	Oasis Petroleum, Inc.	Continued	Pooling
120-2015	Pride Energy Company		Show-Cause
121-2015	Custom Carbon Processing, Inc.		Show-Cause
122-2015	Coastal Petroleum Company		Show-Cause
338-2014	K2 America Corporation		Show-Cause
362-2014	Wexco Exploration, LLC		Show-Cause
34-2015	Cavalier Petroleum		Show-Cause
95-2015	Kelly Oil and Gas LLC		Show-Cause
96-2015	Alturas Energy LLC		Show-Cause
97-2015	Augusta Exploration, LLC		Show-Cause

# APPLICATIONS TO HEAR, 6/25/2015

(In Order of Hearing)

Docket	Applicant	Status	Request
99-2015	Denbury Onshore, LLC		Enhanced Recovery
101-2015	Kraken Oil & Gas LLC		Spacing
102-2015	Kraken Oil & Gas LLC		Pooling
103-2015	Kraken Oil & Gas LLC		Spacing
104-2015	Kraken Oil & Gas LLC		Pooling
107-2015	Kraken Oil & Gas LLC		Temp. Spacing
108-2015	Kraken Oil & Gas LLC		Temp. Spacing
111-2015	Wolf Operating, LLC		Temp. Spacing
112-2015	Wolf Operating, LLC		Temp. Spacing
113-2015	Wolf Operating, LLC		Temp. Spacing
114-2015	Malsam Family LLC & Todd Malsam		Other
115-2015	Petro-Sentinel LLC		Other
46-2015	Statoil Oil & Gas LP		Pooling
120-2015	Pride Energy Company		Show-Cause
121-2015	Custom Carbon Processing, Inc.		Show-Cause
122-2015	Coastal Petroleum Company		Show-Cause
338-2014	K2 America Corporation		Show-Cause
362-2014	Wexco Exploration, LLC		Show-Cause
34-2015	Cavalier Petroleum		Show-Cause
95-2015	Kelly Oil and Gas LLC		Show-Cause
96-2015	Alturas Energy LLC		Show-Cause
97-2015	Augusta Exploration, LLC		Show-Cause



**Docket Summary**

**6/25/2015 Hearing**

99-2015	Denbury Onshore, LLC	Pilot Enhanced Recovery, Siluro-Ordovician Pool, 11N-58E-30: all			<input type="checkbox"/>
100-2015	True Oil LLC	Exception to drill up to three additional wells, permanent spacing unit, Bakken/Three Forks Formation, 25N-58E-4: all, 9: all, 200' heel/toe, 500' lateral setbacks. Default requested.	<b>Default</b>	PSU: Order 15-2015  Increased well density in offsetting Sus	<input type="checkbox"/>
101-2015	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-33: all, 34: all (Lysemose 33-34 #1H).		TSU, Order 42-2011; 1320'/660' setbacks, amended by Order 265-2014, 500'/200' setbacks  Related applications: 101-2015, 102-2015	<input type="checkbox"/>
102-2015	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-33: all, 34: all (Lysemose 33-34 #1H).		Related applications: 101-2015, 102-2015	<input type="checkbox"/>
103-2015	Kraken Oil & Gas LLC	Permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-13: all, 24: all (Higgins 13-24 #1H).		TSU, Order 212-2010; 660' setbacks, amended by Order 261-2014, 500'/200' setbacks  Related applications: 103-2015, 104-2015	<input type="checkbox"/>
104-2015	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-13: all, 24: all (Higgins 13-24 #1H).		Related applications: 103-2015, 104-2015	<input type="checkbox"/>
105-2015	Kraken Oil & Gas LLC	Temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-31: all, 32: all, 200' heel/toe, 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Default requested.	<b>Default</b>		<input type="checkbox"/>
106-2015	Kraken Oil & Gas LLC	Amend Order 6-2006 to allow 200' heel/toe, 500' lateral setbacks in temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-21: all, 28: all. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Default requested.	<b>Default</b>	Order 6-2006: 660' setbacks	<input type="checkbox"/>
107-2015	Kraken Oil & Gas LLC	Temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-9: all, 16: all, 200' heel/toe, 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Default requested.		If order 277-2010 vacated (Docket 108-2015) could create orphan section.	<input checked="" type="checkbox"/>
108-2015	Kraken Oil & Gas LLC	Vacate Order 277-2010 pertaining only to 26N-59E-17: all, 18: all, Temporary spacing unit, Bakken/Three Forks Formation, 26N-59E-8: all, 17: all, 200' heel/toe, 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of date of order. Default requested.		Orphan tract created - Section 18. [17 & 18 are TSU by Order 277-2010.]	<input checked="" type="checkbox"/>
109-2015	Kraken Oil & Gas LLC	Amend Order 266-2014, Temporary spacing unit, Bakken/Three Forks Formation, 25N-59E-4: all, 9: all, 200' heel/toe, 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of 8/14/2015. Default requested.	<b>Default</b>	Authorization to drill from order 266-2014 expires 8/14/2015. Order 266-2014: 500' / 200' setbacks	<input type="checkbox"/>

110-2015	Kraken Oil & Gas LLC	Amend Order 204-2014, Temporary spacing unit, Bakken/Three Forks Formation, 25N-59E-5: all, 8: all, 200' heel/toe, 500' lateral setbacks. Apply for permanent spacing within 90 days of completion. Operations must commence within one year of 6/19/2015. Default requested.	Default	Authorization to drill from order 204-2014 expires 6/19/2015. Order 204-2014: 500' / 200' setbacks	<input type="checkbox"/>
111-2015	Wolf Operating, LLC	Temporary spacing unit, Nisku Formation test well, 30N-52E-14: W2SW4, 15: E2SE4. One well to be located approximately 3,605' FNL and 472' FEL in Section 15. Apply for permanent spacing within 90 days of successful completion. Default requested.		Amended application received 6/11/15 (Incorrect well location in original publication.)	<input type="checkbox"/>
112-2015 10-2015 F	Wolf Operating, LLC	[BLM ORDER ONLY] Temporary spacing unit, Nisku Formation test well, 30N-52E-14: NW. One well to be located approximately 530' FNL and 934' FWL in Section 14. Apply for permanent spacing within 90 days of successful completion. Default requested.			<input type="checkbox"/>
113-2015	Wolf Operating, LLC	Temporary spacing unit, Nisku Formation test well, 30N-52E-22: S2NE4, N2SE4. One well to be located approximately 2,086' FNL and 438' FEL in Section 22. Apply for permanent spacing within 90 days of successful completion. Default requested.			<input type="checkbox"/>
114-2015	Malsam Family LLC & Todd Malsam	Complaint against J. Burns Brown Operating Co., John Brown, Jr., and Travis Brown for failure of to give notice within 180 days of activity that disturbs the surface, failure to negotiate a Surface Use Damage Agreement in good faith, and failure to adequately reclaim the well site as required by the permit to drill.		180 day notice: 82-10-503(1), M.C.A. Negotiate SUA: 82-10-503(1)(a), M.C.A. O'Toole response recd 6/15/2015.	<input type="checkbox"/>
115-2015	Petro-Sentinel LLC	Approve, change of Operator for the Thomas Cinderella 1-XR well to Petro-Sentinel LLC; 10N-25E-9: SW/4SE/4SE/4, API #065-21505. Default requested.		Contingent upon bond, change of operator form.	<input type="checkbox"/>
116-2015	Synergy Offshore LLC	Class II UIC Permit, Enhanced Recovery, Cut Bank Sandstone Formation, P635B, 35N-6W-35: NW SE, 1780' FSL/1705' FEL (P635B)	Continued	Continued to August - telephone call from Don Lee received 6/23/15	<input type="checkbox"/>
117-2015	Synergy Offshore LLC	Class II UIC Permit, Enhanced Recovery, Cut Bank Sandstone Formation, R602, 34N-6W-2: NE NE, 40' FNL/980' FEL	Continued	Continued to August - telephone call from Don Lee received 6/23/15	<input type="checkbox"/>
118-2015	XTO Energy Inc.	Permanent spacing unit, Bakken/Three Forks Formation, 24N-56E-16: all, 21: all (Elaine #34X-21BXC).	Continued	Related applications: 118-2015, 119-2015 Continued to August - fax received 6/10/15	<input type="checkbox"/>
119-2015	XTO Energy Inc.	Pool, permanent spacing unit, Bakken/Three Forks Formation, 24N-56E-16: all, 21: all (Elaine #34X-21BXC). Non-consent penalties NOT being requested.	Continued	Related applications: 118-2015, 119-2015 Continued to August - fax received 6/10/15	<input type="checkbox"/>
2-2015	Interstate Explorations, LLC	Permanent spacing unit, Red River Formation, 14N-60E-30: E/2 (Nelson #2-1).	Continued	Related applications: 2-2015, 3-2015 Continued to August - fax received 6/15/15	<input type="checkbox"/>
3-2015	Interstate Explorations, LLC	Pool, permanent spacing unit, Red River Formation, 14N-60E-30: E/2 (Nelson #2-1). Non-consent penalties requested.	Continued	Related applications: 2-2015, 3-2015 [Larry Morgen - Morgen Farm & Ranch] Continued to August - fax received 6/15/15	<input type="checkbox"/>

46-2015	Statoil Oil & Gas LP	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-6: all, 7: all (Storvik 7-6 #2H). Non-joinder penalties requested.		PSU: Order 42-2012 Order 185-2012, 4 wells, 200'/500' setbacks.	<input type="checkbox"/>
78-2015	Oasis Petroleum, Inc.	Pool, permanent spacing unit, Bakken/Three Forks Formation, 28N-58E-33: all, 34: all (Ring Fed #2858 44-34H). Non-joinder penalties requested.	Continued	PSU: Order 351-2013  Continued to August, email recd 6/18/2015.	<input type="checkbox"/>
120-2015	Pride Energy Company	Show Cause: why it should not be required to immediately plug the Mable Wilson 1 well located in T36N, R36E, Section 16, Roosevelt County, Montana and restore the location.		Intent to abandon approved; to be plugged before August. Pat Wilson notified by email on 6/17/2015. STAFF REQUEST - CONTINUE TO AUGUST HEARING	<input type="checkbox"/>
121-2015	Custom Carbon Processing, Inc.	Show Cause: why additional penalties should not be imposed for failure maintain the wellsites of the Wojahn A 5-2 well located in T13N, R60E, Section 2 and the Michels A 8-3 well located in Section 3, T13N, R60E, Section 3, Wibaux County, Montana.			<input type="checkbox"/>
122-2015	Coastal Petroleum Company	Show Cause: why additional penalties should not be assessed for failure to properly reclaim the State 7-16 well site located in T36N, R36E, Section 16, Valley County, Montana.		5/26/15 certified letter returned, undeliverable as addressed  REQUEST BOND FORFEITURE	<input type="checkbox"/>
338-2014	K2 America Corporation	Show Cause: why its bond should not be forfeited for failure to provide a plan and timeline for plugging its wells, why additional penalties should not be assessed for failure to file production reports, failure to pay existing penalties, and failure to appear at February 26, 2015 hearing.		Canadian address undeliverable, Cut Bank address delivered.  Letter and request received.	<input type="checkbox"/>
362-2014	Wexco Exploration, LLC	Show Cause: why shouldn't P&A Guenther 2-8 well, failure to file correct production reports, failure to appear at December 4, 2014 hearing. Order amended to consider bond forfeiture for failure to plug and reclaim.			<input type="checkbox"/>
34-2015	Cavalier Petroleum	Show Cause: why it should not provide a plan and timeline for plugging its wells, why additional penalties should not be assessed for failure to pay the administrative penalty for delinquent reporting, and the fine for not appearing at the February 26, 2015 hearing.		February certified mail undelivered. April certified mail delivered. Same address was used. 4/28/15 promised to send in reports and pay fine.	<input type="checkbox"/>
95-2015	Kelly Oil and Gas LLC	Show Cause: why it should not immediately plug and abandon its remaining production and injection wells and why additional penalties should not be imposed for failure to pay \$3,130.00 for the failure to pay the annual injection well fee, failure to pay the late fee, failure to pay fines, failure to maintain mechanical integrity on the State #1, State #2, and Shelhamer 1A injection wells, failure to initiate a remedy for the field violations prior to the May 21, 2015 hearing deadline for the Stensvad 2x-25 and Dybvik KV-1 oil wellsites, failure to respond to prior show-cause orders, and for failure to file production reports and to pay the administrative penalty assessed for delinquent reporting.			<input type="checkbox"/>

96-2015	Alturas Energy LLC	Show Cause: why its plugging and reclamation bond should not be forfeited for failure to provide a plan and timeline for the plugging its wells, and for failure to pay the fine assessed for not appearing at the Board's April 30, 2015 hearing.	<i>(To appear.)</i>  <i>6/22/15 certified letter returned, undeliverable as addressed</i>	<input type="checkbox"/>
97-2015	Augusta Exploration, LLC	Show Cause: why it plugging and reclamation bond should not be forfeited for failure to provide a plan and timeline of its Krone-Augusta 31-32 well, API # 25-049-21111, located in Section 32, T18N-R5W, Lewis and Clark County, Montana.	<i>(Federal court order freezing assets.)</i>	<input type="checkbox"/>

# **GAS FLARING**

**June 24, 2015**

Company	Wells Flaring over 100	Wells Flaring over 100 w/o Exception	Current Exceptions (over 100)	Exception Requests	Wells over 100 Hooked to Pipeline
Continental	5	1	4	3	4
EOG Resources	2	0	2	0	1
Kraken	1	0	1	0	0
Oasis Petroleum	3	0	3	0	0
Petro-Hunt	4	1	3	1	1
Statoil	2	2	0	0	2
Whiting	29	17	12	17	15
Totals	46	21	25	21	23

# Flaring Request

## ***Summary***

There are 46 wells flaring over 100 MCF/D based on current production numbers. There were a number of completions at the start of this year that we are just now getting production for leading to the increased number of wells over the limit. It is expected that this number will continue to drop based on the reduced number of completions expected throughout this year.

25 of the 46 wells have approved exceptions due to distance, pipeline access issues, or time to connection.

There are 21 exceptions requested at this time. Of the 21, 20 are flaring due to pipeline/gas plant capacity issues and 1 is flaring due to gas composition. 4 of the 21 wells are connected to a pipeline.

## ***Continental***

### **Williams 1-12H – API # 25-085-21917, 27N-57E-12**

1. Flaring 60 MCF/D. Second exception request. First expired 4/15/15.
2. Completed: 2/2014.
3. Connected to pipeline: Yes.
4. Estimated gas reserves: 415 MMcf.
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 20 Mcf/d
7. Justification to flare: Connected to pipeline, however, Gas plant and capacity issues preventing sales. Hoping new plant will come on in 2015/2016 and alleviate issues.

### **Dodger 1-36H – API # 25-083-23245, 27N-52E-36**

1. Flaring 96 MCF/D. First exception request.
2. Completed: 6/2014.
3. Connected to pipeline: Yes.
4. Estimated gas reserves: 186 MMcf
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 7.5 Mcf/d
7. Justification to flare: High H2S content. H2S scrubbing would cost more than gas is worth.

### **Sterling 1-3H – API # 25-083-23176, 24N-52E-3**

1. Flaring 125 MCF/D. First exception request.
2. Completed: 12/2013.
3. Connected to pipeline: Yes.
4. Estimated gas reserves: 171 MMcf.
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 7.5 Mcf/d

7. Justification to flare: Connected to pipeline, however, high pressure in pipeline preventing sales. Working with Hiland to reduce pressure and resume sales.

## ***Petro-Hunt***

### **CP 33D-3-1 – API #25-083-22639, 24N-54E-33**

1. Flaring 122 MCF/D. First exception request expired 6/3/2015.
2. Completed: 7/2007.
3. Proximity to market: Connected to gathering system.
4. Flaring alternatives: None.
5. Justification to flare: Well is hooked up to gas sales line, but is flaring due to high line pressure. Waiting on repairs to pipeline to reduce pressure.

## ***Whiting***

### **Skov 31-28-4H – API # 25-083-23201, 25N-59E-28**

1. Flaring 107 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 478 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Prewitt 21-25-1H – API # 25-083-23318, 25N-58E-25**

1. Flaring 153 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 353 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Prewitt 21-25-2H – API # 25-083-23317, 25N-58E-25**

1. Flaring 153 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 474 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Prewitt 21-25-3H – API # 25-083-23319, 25N-58E-25**

1. Flaring 133 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 497 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Prewitt 21-25-4H – API # 25-083-23257, 25N-58E-25**

1. Flaring 130 MCF/D. Second exception request.
2. Completed: 8/2014.
3. Estimated gas reserves: 294 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Palmer 24-21-4H – API # 25-083-23250, 26N-57E-21**

1. Flaring 102 MCF/D. Second exception request.
2. Completed: 7/2014.
3. Estimated gas reserves: 701 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Buxbaum 21-5-1H – API # 25-083-23256, 24N-60E-5**

1. Flaring 238 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 515 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Buxbaum 21-5-2H – API # 25-083-23315, 24N-60E-5**

1. Flaring 282 MCF/D. First exception request.
2. Completed: 2/2015.

3. Estimated gas reserves: 587 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Buxbaum 21-5-3H – API # 25-083-23316, 24N-60E-5**

1. Flaring 378 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 574 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Malsam 14-18-1H – API # 25-083-23263, 24N-60E-18**

1. Flaring 175 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 341 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Malsam 14-18-2H – API # 25-083-23264, 24N-60E-18**

1. Flaring 210 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 1122 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Malsam 14-18-3H – API # 25-083-23265, 24N-60E-18**

1. Flaring 180 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 532 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Malsam 14-18-4H – API # 25-083-23266, 24N-60E-18**

1. Flaring 203 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 424 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Skov 31-27-1H – API # 25-083-23293, 25N-59E-27**

1. Flaring 120 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 646 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Skov 31-27-2H – API # 25-083-23294, 25N-59E-27**

1. Flaring 123 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 456 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Skov 31-27-3H – API # 25-083-23295, 25N-59E-27**

1. Flaring 122 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 524 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Sundheim 21-27-1H – API # 25-083-23141, 25N-58E-27**

1. Flaring 128 MCF/D. Second exception request.
2. Completed: 8/2013.
3. Estimated gas reserves: 536 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.

6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

## Request for Show-Cause

### Interstate Explorations, LLC

Board Business Meeting June 24<sup>th</sup>, 2015

#### Field Violation at the Nelson 2-1, Wibaux County, Montana

- On 5/19/2015 it was discovered that a reserve pit which contained oil did not have a net over the pit.

Page 1: Inspection Status Report

Page 2: Enforcement Status Report

Page 3: Bond Summary

Page 4: Email from Operator

**Inspection Status Report****Glendive***Run Date: 6/23/2015**Page 1 of 1*

Operator Name	Well Name and Number	API Well No.	Location	UIC Permit
Interstate Explorations, LLC	Nelson 2-1	25-109-21202-00-00	SP OIL 14 N 60 E 30 SE NW NE	
<input checked="" type="checkbox"/> <b>Failure</b> <input checked="" type="checkbox"/> <b>Violation</b>	iDEV0001484	<b>Inspector:</b> CLM	<b>Inspection Date:</b> 5/19/2015	<b>Compl. Required:</b>
Reserve pit contains oil and is not netted. This needs to be netted.		-1420 Pit, Reserve - Fence, Screen, Net, Contents		<b>Extended To:</b>
				<b>Dt_Referral:</b> 5/19/2015
6/22/2015 CLM Pit still is not netted				<b>Compl. Reported:</b>

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**Enforcement Status Report***Run Date: 6/24/2015**Page 1 of 1*

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**Interstate Explorations, LLC****Action Date:** 5/19/2015**Closed:****Enforcement Items:**

Non-UIC - Pit Violation

The Nelson 2-1 well location has a reserve pit with oil in it. Pit needs to be netted and screened.

**Action:**

Telephone Call

6/16/2015 Tom Nunnally said net would be installed on 6-22-2015

E-Mail

6/16/2015 Email from Interstate giving timeline for net installation

**Comment:**

### Plugging and Reclamation Bonds With Well List

INTERSTATE EXPLORATIONS, LLC		516	Bond: M1	\$50,000.00	Multiple Well Bond	Active	Wells: 11	Approved	Allowed: 12/6/2012	
Surety Bond	Active	Lexon Insurance Company		\$50,000.00						
API #	Operator	Well	Location			Field	TD	PBTD	Status	
109-21200	Interstate Explorations, LLC	Michels 2-1	13 N	60 E	3	NW NE 1000N 1980E	Wildcat Wibaux	11860	11310	SI OIL
109-21204	Interstate Explorations, LLC	Michels 1-3-10H	13 N	60 E	3	NE NE 275N 1300E	Wildcat Wibaux			SP OIL
109-21205	Interstate Explorations, LLC	Nelson 10-1	14 N	60 E	6	NW SE 1477S 1642E	Wildcat Wibaux			PD OIL
109-21206	Interstate Explorations, LLC	Welsh #1	14 N	60 E	15	NW SW 1628S 1260W	Wildcat Wibaux			PD OIL
109-21201	Interstate Explorations, LLC	State 4-1	14 N	60 E	16	NE NW 669N 1352W	Wildcat Wibaux			PD OIL
109-21198	Interstate Explorations, LLC	Rieckhoff 16-1	14 N	60 E	17	SE SE 230S 1000E	Wildcat Wibaux			PD OIL
109-21196	Interstate Explorations, LLC	Morgan 5-1	14 N	60 E	29	SW NW 2400N 1050W	Wildcat Wibaux	11810	11726	SI OIL
109-21197	Interstate Explorations, LLC	Nelson 16-1	14 N	60 E	29	SE SE 660S 660E	Yates	11765	11679	SI OIL
109-21202	Interstate Explorations, LLC	Nelson 2-1	14 N	60 E	30	SE NW NE 804N 1577E	Wildcat Wibaux			SP OIL
021-21198	Interstate Explorations, LLC	Star Bar Ranch 3-1	19 N	56 E	27	NE NW 330N 1710W	Wildcat Dawson			PD OIL
021-21195	Interstate Explorations, LLC	MBA Consultants 1-1	19 N	56 E	34	NE NE 1180N 664E	Wildcat Dawson	12000		PR OIL

Comment:

INTERSTATE EXPLORATIONS, LLC		516	Bond: T1	\$10,000.00	UIC Single Well Bond	Active	Wells: 1	Approved	Allowed: 12/4/2012	
Surety Bond	Active	Lexon Insurance Company		\$10,000.00						
API #	Operator	Well	Location			Field	TD	PBTD	Status	
109-21039	Interstate Explorations, LLC	Lawrence "E" 16-29	14 N	60 E	29	S2 SE SE 250S 750E	Yates	11718		PD SWD
109-21039	Interstate Explorations, LLC	Lawrence "E" 16-29	14 N	60 E	29	S2 SE SE 250S 750E	Yates	11718		PD SWD

Comment: To cover the Lawrence "E" 16-29

## Gizicki, John

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**From:** Popp, David  
**Sent:** Tuesday, June 16, 2015 3:42 PM  
**To:** Mercier, Clay  
**Cc:** Gizicki, John  
**Subject:** Fwd: Netting For Nelson 2-1 Pit

Please schedule an inspection of this pit on the 23rd to confirm they are compliant. Notify John or myself as to the outcome! I need a paper trail so please complete an inspection report before the call to the VP and on the 23rd  
Thanks  
Dave

Sent from my iPhone

Begin forwarded message:

**From:** Tom Nunnally <[tnunnally@ie-llc.net](mailto:tnunnally@ie-llc.net)>  
**Date:** June 16, 2015 at 3:19:46 PM MDT  
**To:** "Popp, David" <[DPopp@mt.gov](mailto:DPopp@mt.gov)>  
**Cc:** Josh Wilks <[jwilks@ie-llc.net](mailto:jwilks@ie-llc.net)>, Dan Wilks <[dan@wilksbrothers.com](mailto:dan@wilksbrothers.com)>, "Libby Wilson" <[ewilson@ie-llc.net](mailto:ewilson@ie-llc.net)>, Jacky Michael <[jmichael@ie-llc.net](mailto:jmichael@ie-llc.net)>, "Robert Dawson" <[rdawson@ie-llc.net](mailto:rdawson@ie-llc.net)>, Gary Schenk <[gschenk@ie-llc.net](mailto:gschenk@ie-llc.net)>, Hugh Elmore <[helmore@ie-llc.net](mailto:helmore@ie-llc.net)>, Tom Nunnally <[tnunnally@ie-llc.net](mailto:tnunnally@ie-llc.net)>  
**Subject:** Netting For Nelson 2-1 Pit

As per our previous conversation regarding netting for the pit at Interstate's Nelson 2-1 well, Interstate is proposing the following timeline:

1. Netting was purchased on June 11, 2015.
2. Netting is scheduled to be delivered to Interstate's representative in Beach, North Dakota tomorrow, June 17, 2015.
3. Netting will be installed on June 21 – 22, 2015.
4. This is planned to be completed by the end of the day on June 22, 2015.

It is Interstate's hope that this plan and timeline is satisfactory to the Montana Board of Oil and Gas Conservation. We thank you for your time and consideration.

Respectfully

Tom Nunnally  
VP of Operations  
Interstate Explorations  
Tel: 713-882-7862 Cell  
Tel: 713-308-4931

## GRANT PROJECTS & FIELD INSPECTOR SUMMARY

June 2015

### Shelby Inspector Replacement

Interviews for Bill Halvorson's replacement will be conducted 6/30/2015 in Shelby. Four candidates are scheduled for interviews.

The interview team consists of Gary Klotz, George Hudak, Ben Jones and Dave Popp.

### Training

The Montana Drive Workshop Training in Lewistown is under way and the last two field personal will complete the training July 9<sup>th</sup>. This is an excellent safety course. It is highly recommended to everyone.

### 2009 Plugging Grants

Combined Northern-Southern:

Work was completed 5/27/2015

Grant amount \$263,757 Expended amount \$244,567 Amount remaining \$19,180

### 2011 Southern Tank Battery Grants

Big Wall land farm project:

Work was just completed 6/17/2015

The Grant expires 9/30/2015. The contract with C Brewer expires 9/30/2015.

Grant amount \$96,458 Expended amount \$58,218 Amount remaining \$ 38,239

### 2011 Plugging Grants

Northern-Eastern Districts:

Work was completed 4/29/2015

Grant amount \$ 332,642 Expended amount \$193,592 Amount remaining \$139,050

Eastern District:

Work was completed 5/11/2015

Grant amount \$318,498 Expended amount \$316,386 Amount remaining \$18

### Kopp #1 Well:

RFP is being written and will be submitted at the end of the month following the Fiscal Year-End.

RIT funds that remain from the current completed grants could and should be utilized for this project. The steps to redirect these RIT funds are currently underway. Costs to re-plug this well are anticipated to be as high as \$250,000+.