UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 14 AND 23, T26N-R58E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE CARL FEDERAL #2658 43-23H WELL.

ORDER 168-2015

Docket No. 162-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 306-2011. Applicant has completed the Carl Federal #2658 43-23H well as a producing well.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 14 and 23, T26N-R58E, Richland County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Carl Federal #2658 43-23H well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
ennifer Rath, Program Specialist	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 14 AND 23, T26N-R58E, 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 CARL FEDERAL #2658 42-23H WELL.

ORDER 169-2015

Docket No. 148-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 168-2015. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Sections 14 and 23, T26N-R58E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Carl Federal #2658 43-23H well.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 26 AND 35, T26N-R58E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE OTIS #2658 43-23H WELL.

ORDER 170-2015

Docket No. 164-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 309-2011. Applicant has completed the Otis #2658 43-23H well as a producing well.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 26 and 35, T26N-R58E, Richland County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Otis #2658 43-23H well.

Jennifer Rath, Program Specialist	
ATTEST:	
	Peggy Ames Nerud, Board Member
	Decree Arrest Named Decred Members
	John Evans, Board Member
	Ronald S. Efta, Board Member
	Deceld C. Effe Decel Member
	Steven Durrett, Board Member
	wayne Simui, vice-Chairman
	Wayne Smith, Vice-Chairman
	Linda Nelson, Chairman
	OF THE STATE OF MONTANA

UPON THE APPLICATION OF OASIS PETROLEUM, INC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 26 AND 35, T26N-R58E, 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 OTIS #2658 43-23H WELL.

ORDER 171-2015

Docket No. 147-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 170-2015. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Sections 26 and 35, T26N-R58E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Otis #2658 43-23H well.

Jennifer Rath, Program Specialist	
ATTEST:	
A TOTAL COT	
	Peggy Ames Nerud, Board Member
	John Evans, Board Member
	Ronald S. Efta, Board Member
	D 110 FC D 114 1
	Steven Durrett, Board Member
	Wayne Smith, Vice-Chairman
	W C. 'd. W' . Cl. '
	Linda Nelson, Chairman
	Ti I N I Cl
	of fill strill of Morthier
	OF THE STATE OF MONTANA

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 25 AND 36, T26N-R58E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE LOKI #2658 12-25H WELL.

ORDER 172-2015

Docket No. 163-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 308-2011. Applicant has completed the Loki #2658 12-25H well as a producing well.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 25 and 36, T26N-R58E, Richland County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Loki #2658 12-25H well.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
ennifer Rath, Program Specialist	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 25 AND 36, T26N-R58E, 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 LOKI #2658 12-25H WELL.

ORDER 173-2015

Docket No. 149-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 172-2015. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Sections 25 and 36, T26N-R58E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Loki #2658 12-25H well.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
ennifer Rath, Program Specialist	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 27 AND 34, T26N-R58E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE STILT FEDERAL #2658 42-22H WELL.

ORDER 174-2015

Docket No. 165-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 305-2010. Applicant has completed the Stilt Federal #2658 42-22H well as a producing well.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 27 and 34, T26N-R58E, Richland County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Stilt Federal #2658 42-22H well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayna Smith Vice Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Tennifer Rath, Program Specialist	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 27 AND 34, T26N-R58E, 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 STILT FEDERAL #2658 42-22H WELL.

ORDER 175-2015

Docket No. 166-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 174-2015. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Sections 27 and 34, T26N-R58E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Stilt Federal #2658 42-22H well.

Linda Nelson, Chairman Wayne Smith, Vice-Chairman Steven Durrett, Board Member Ronald S. Efta, Board Member John Evans, Board Member Peggy Ames Nerud, Board Member		OF THE STATE OF MONTANA
Steven Durrett, Board Member Ronald S. Efta, Board Member John Evans, Board Member Peggy Ames Nerud, Board Member		Linda Nelson, Chairman
Ronald S. Efta, Board Member John Evans, Board Member Peggy Ames Nerud, Board Member		Wayne Smith, Vice-Chairman
John Evans, Board Member Peggy Ames Nerud, Board Member		Steven Durrett, Board Member
Peggy Ames Nerud, Board Member		Ronald S. Efta, Board Member
		John Evans, Board Member
ATTEST.		Peggy Ames Nerud, Board Member
A11E31.	ATTEST:	
ennifer Rath, Program Specialist	ennifer Rath, Program Specialist	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 31 AND 32, T27N-R58E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE DAD FRYE #2758 24-32B WELL.

ORDER 176-2015

Docket No. 150-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 444-2013. Applicant has completed the Dad Frye #2758 24-32B well as a producing well.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 31 and 32, T27N-R58E, Richland and Roosevelt Counties, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Dad Frye #2758 24-32B well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
lennifer Rath, Program Specialist	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 31 AND 32, T27N-R58E, RICHLAND AND ROOSEVELT COUNTIES, 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 DAD FRYE #2758 24-32B WELL.

ORDER 177-2015

Docket No. 151-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 176-2015. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
- 3. John Lee, attorney for the applicant, and Trevor Taylor, petroleum engineer for the Minerals Management Bureau, stated for the record that the riverbed mineral interests are not adjudicated at the Board of Oil and Gas hearing and the Department is working on the riverbed acreage determination; therefore, this request is not intended to establish the precise division of interests within the spacing unit.
- 4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Sections 31 and 32, T27N-R58E, Richland and Roosevelt Counties, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Dad Frye #2758 24-32B well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10^{th} day of December, 2015.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
TTEST:	
ennifer Rath, Program Specialist	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO DRILL UP TO FOUR ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK)/500' (LATERAL SETBACK) WITHIN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 31 AND 32, T27N-R58E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA.

ORDER 178-2015

Docket No. 152-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The lands described in the caption were designated a permanent spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 176-2015.
- 3. Evidence presented at the time of the hearing supports the drilling of four additional horizontal Bakken/Three Forks interval wells in Section 31 and 32, T27N-R58E, Richland and Roosevelt Counties, Montana.
- 4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Oasis Petroleum, Inc. is authorized to drill up to four additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 31 and 32, T27N-R58E, Richland and Roosevelt Counties, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10^{th} day of December, 2015.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 33 AND 34, T28N-R58E, ROOSEVELT 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 RING FED #2858 44-34H WELL.

ORDER 179-2015

Docket No. 78-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 351-2013. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
- 3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Sections 33 and 34, T28N-R58E, Roosevelt County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Ring Fed #2858 44-34H well.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Warra Carial, Was Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Tennifer Rath, Program Specialist	

UPON THE REQUEST OF BENSUN ENERGY, LLC FOR APPROVAL OF THE TRANSFER OF THE RICHARDSON 25-1 (API #25-091-21852), RICHARDSON 30-1 (API #25-091-21856), AND FRIEDRICH TRUST 31-1 (API #25-091-21859) WELLS, ALL LOCATED IN SHERIDAN COUNTY, MONTANA, FROM STATOIL OIL & GAS LP TO BENSUN ENERGY, LLC AND TO DETERMINE THE APPROPRIATE PLUGGING AND RECLAMATION BOND REQUIREMENT FOR BENSUN ENERGY, LLC.

ORDER 180-2015

Docket No. 156-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. This docket involved a request to transfer plugging, reclamation, and reporting responsibility for the Richardson 25-1, Richardson 30-1, and Friedrich Trust 31-1 wells located in Sheridan County, Montana from Statoil Oil & Gas LP to Bensun Energy, LLC (Bensun).
- 3. Referral to the Board was based upon action taken at the Board's December 14, 2014 business meeting, at which time staff was directed to schedule a hearing to consider an increase in Bensun's plugging and reclamation bond coverage if the company failed to maintain compliance with Board rules. Bensun failed to remain in compliance.
- 4. Mr. Lance Bensun appeared on behalf of Bensun. The Board did not want to set a precedent, but allowed attorney, Don Lee, to represent Bensun over the phone. Mr. Bensun requested there not be an increase in the bond; due to the low oil prices, it would have a significant financial impact on his company.
- 5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Bensun Energy, LLC plugging and reclamation bond be increase from a \$50,000 multiple well bond to a \$70,000 bond and be limited to seven wells.

IT IS FURTHER ORDERED by the Board of Oil and Gas Conservation of the State of Montana that staff is authorized to approve the Change of Operator request for the Richardson 25-1, Richardson 30-1, and Friedrich Trust 31-1 wells upon the receipt of the \$20,000 bond increase.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10^{th} day of December, 2015.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

Linda Nelson, Chairman
Wayne Smith, Vice-Chairman
Steven Durrett, Board Member
John Evans, Board Member
Peggy Ames Nerud, Board Member
I dissent
Ronald S. Efta, Board Member

UPON THE APPLICATION OF SM ENERGY COMPANY TO AMEND BOARD ORDER 25-2015 TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 26 AND 27, T26N-R59E, RICHLAND COUNTY, MONTANA, TO DRILL UP TO THREE HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. OPERATIONS FOR THE DRILLING OF SAID WELL MUST BE COMMENCED NOT LATER THAN FEBRUARY 26, 2017.

ORDER 181-2015

Docket No. 161-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of SM Energy Company is granted as applied for.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CONVERT THE UNIT 32-26 WELL (API #25-025-05401) IN THE SW¼NE¼ OF SECTION 26, T9N-R58E, FALLON COUNTY, MONTANA (MONARCH FIELD) TO A CLASS II SALTWATER DISPOSAL WELL IN THE CHARLES "B" AND MISSION CANYON FORMATIONS AT A DEPTH OF APPROXIMATELY 7,150-7,490 FT. AN AQUIFER EXEMPTION IS BEING REQUESTED AS THE INJECTION ZONE CONTAINS WATER WITH LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 182-2015

Docket No. 167-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of A.R.M. 36.22.1403 have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Denbury Onshore, LLC is granted as applied for subject to stipulations on the sundry notice.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CONVERT THE ELOB UNIT 32-4 WELL (API #25-025-21353) IN THE SW1/4NE1/4 OF SECTION 4, T7N-R60E, FALLON COUNTY, MONTANA (EAST LOOKOUT BUTTE FIELD) TO A CLASS II SALTWATER DISPOSAL WELL IN THE DAKOTA FORMATION AT A DEPTH OF APPROXIMATELY 4,051-5,108 FT., AND THE MISSION CANYON FORMATION AT A DEPTH APPROXIMATELY 7,561-7,901 FT. AN AQUIFER EXEMPTION IS BEING REQUESTED AS THE INJECTION ZONES CONTAIN WATER WITH LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 183-2015

Docket No. 168-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of A.R.M. 36.22.1403 have been met.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Denbury Onshore, LLC is granted as applied for subject to stipulations on the sundry notice.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Tennifer Rath, Program Specialist	

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CONVERT THE ELOB 41-9 WELL (API #25-025-21340) IN THE NE¹/₄NE¹/₄ OF SECTION 9, T7N-R60E, FALLON COUNTY, MONTANA (EAST LOOKOUT BUTTE FIELD) TO A CLASS II SALTWATER DISPOSAL WELL IN THE DAKOTA FORMATION AT A DEPTH OF APPROXIMATELY 4,042-5,104 FT., AND THE MISSION CANYON FORMATION AT A DEPTH APPROXIMATELY 7,504-7,835 FT. AN AQUIFER EXEMPTION IS BEING REQUESTED AS THE INJECTION ZONES CONTAIN WATER WITH LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 184-2015

Docket No. 169-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of A.R.M. 36.22.1403 have been met.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Denbury Onshore, LLC is granted as applied for subject to stipulations on the sundry notice.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Linda Iveison, Chanman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE BOARD'S OWN MOTION TO EXPAND THE AREA OF THE AQUIFER EXEMPTION FOR THE PICARD 1-19 SALTWATER DISPOSAL WELL (API #25-085-21230) IN THE SW¼NW¼ OF SECTION 19, T30N-R59E, ROOSEVELT COUNTY, MONTANA (ANVIL FIELD), FROM THE CURRENTLY-PERMITTED RADIUS OF 1,320 FT. TO 1,980 FT., IN THE DAKOTA FORMATION AT A DEPTH OF 5,504-5,655 FT.

ORDER 185-2015

Docket No. 170-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of A.R.M. 36.22.1418 have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Denbury Onshore, LLC is granted as applied for.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE STEALTH ENERGY USA, INC. 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 \$160.00. 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 STEALTH ENERGY USA, INC. TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 186-2015

Docket No. 171-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Stealth Energy USA, Inc.
- 3. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that respondent has not demonstrated that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Stealth Energy USA, Inc. is to appear at the February 11, 2016 public hearing and show-cause, if any it has, why additional penalties should not be assessed for failure to file delinquent production reports and appear at the December 10, 2015 public hearing.

IT IS FURTHER ORDERED that Stealth Energy USA, Inc. is fined \$1,000 for not appearing at the December 10, 2015, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10^{th} day of December, 2015.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ΓΤΕST:	
ennifer Rath, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE HINTO ENERGY, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT PROVIDE A PLAN AND TIMELINE FOR PLUGGING ITS WELLS AND WHY ADDITIONAL PENALTIES SHOULD NOT BE ASSESSED FOR FAILURE TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING AND THE FINE ASSESSED FOR NOT APPEARING AT THE BOARD'S OCTOBER 29, 2015 PUBLIC HEARING.

ORDER 187-2015

Docket No. 172-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Hinto Energy, LLC (Hinto).
- 3. Hinto paid the outstanding fine in the amount of \$1,380, filed delinquent production reports, and requested in a letter to the Board that the docket be dismissed.
- 4. The Board found the letter from Hinto insufficient and stated future show cause hearing attendance is required.
- 5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Docket 172-2015 is dismissed.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this $10^{\rm th}$ day of December, 2015.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE MIOCENE OIL COMPANY TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT PROVIDE A PLAN AND TIMELINE FOR PLUGGING ITS SUMMER NIGHT 21-1 WELL LOCATED IN T33N-R48E, SECTION 21, DANIELS COUNTY, MONTANA AND WHY ADDITIONAL PENALTIES SHOULD NOT BE ASSESSED FOR FAILURE TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING.

ORDER 188-2015

Docket No. 173-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Miocene Oil Company (Miocene).
- 3. Miocene has not paid outstanding fine in the amount of \$120 and has not filed delinquent production reports.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that respondent has not demonstrated that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Miocene Oil Company begin to plug and abandon the Summer Night 21-1 well located in Section 21, T33N-R48E, Daniels County, Montana prior to the February 11, 2016 public hearing. The failure to begin to plug and abandon the well as required by this order may result in forfeiture of the plugging and reclamation bond in its entirety, as permitted by § 82-11-123(5), MCA.

IT IS FURTHER ORDERED that Miocene Oil Company is fined \$1,000 for not appearing at the December 10, 2015, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10^{th} day of December, 2015.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Linda Iveison, Chanman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE KELLY OIL AND GAS, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY THE PLUGGING AND RECLAMATION BONDS FOR ITS INJECTION WELLS SHOULD NOT BE FORFEITED FOR FAILURE TO PLUG THE STATE #1, STATE E-2, AND SHELHAMER 1A INJECTION WELLS AND WHY IT SHOULD NOT PROVIDE A PLAN AND TIMELINE FOR THE PLUGGING AND ABANDONMENT OF ITS PRODUCING WELLS FOR 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 WELLSITES.

ORDER 189-2015

Docket No. 174-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Kelly Oil and Gas, LLC (Kelly).
- 3. Staff recommended that the plugging and reclamation bond for Kelly's injection wells be forfeited for failure to plug its wells.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that respondent has not demonstrated that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the plugging and reclamation bonds for the State 1 (API 25-065-05443), State E-2 (API 25-065-05288), and R. Shelhamer 1A (25-065-05478) injection wells are hereby forfeited.

IT IS FURTHER ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Kelly Oil and Gas, LLC begin to plug and abandon its producing wells prior to the February 11, 2016 public hearing. The failure to begin to plug and abandon the wells as required by this order may result in forfeiture of the plugging and reclamation bond in its entirety, as permitted by § 82-11-123(5), MCA.

IT IS FURTHER ORDERED that Kelly Oil and Gas, LLC is fined \$1,000 for not appearing at the December 10, 2015, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10^{th} day of December, 2015.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE AUGUSTA EXPLORATION, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD NOT BE FORFEITED FOR FAILURE TO PROVIDE A PLAN AND TIMELINE FOR PLUGGING ITS KRONE-AUGUSTA 31-32 WELL, API # 25-049-21111, LOCATED IN SECTION 32, T18N-R5W, LEWIS AND CLARK COUNTY, MONTANA AND WHY ADDITIONAL PENALTIES SHOULDN'T BE ASSESSED FOR FAILURE TO APPEAR AT THE BOARD'S APRIL 30, 2015 HEARING.

ORDER 190-2015

Docket No. 97-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Augusta Exploration, LLC (Augusta).
- 3. Staff recommended the docket be continued until the further information is received in the federal court case involving Augusta.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that taking the following action is appropriate.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Docket 97-2015 is continued until the further notice.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this $10^{\rm th}$ day of December, 2015.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE KYKUIT RESOURCES, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT PROVIDE A PLAN AND TIMELINE FOR PLUGGING ITS WELLS AND WHY ADDITIONAL PENALTIES SHOULD NOT BE ASSESSED FOR FAILURE TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING AND THE FINE ASSESSED FOR NOT APPEARING AT THE BOARD'S AUGUST 13, 2015 PUBLIC HEARING.

ORDER 191-2015

Docket No. 159-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Kykuit Resources, LLC (Kykuit).
- 3. Kykuit has filed delinquent production reports but has not paid the outstanding fine in the amount of \$1,520. Kykuit has been in contact with staff and explained the delayed payment was due to a misunderstanding and would send the check immediately.
- 4. Staff recommended the docket be continued and requested the authority to dismiss the docket if the fine is received.
- 5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Docket 159-2015 is continued until the February 11, 2016 public hearing.

IT IS FURTHER ORDERED that Board staff has authority to dismiss the docket if the fine is paid prior to the February 11, 2016 hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10^{th} day of December, 2015.

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
ATTEST:	
Jennifer Rath, Program Specialist	

UPON THE BOARD'S OWN MOTION TO REQUIRE CUSTOM CARBON PROCESSING, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD NOT BE FORFEITED FOR FAILURE TO MAINTAIN THE WELLSITES OF THE WOJAHN A 5-2 WELL LOCATED IN SECTION 2, T13N-R60E, AND THE MICHELS A 8-3 WELL LOCATED IN SECTION 3, T13N-R60E, WIBAUX COUNTY, MONTANA.

ORDER 192-2015

Docket No. 160-2015

Report of the Board

The above entitled cause came on regularly for hearing on December 10, 2015 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Paul Gatzemeier was absent. Member Ronald S. Efta recused himself and took no part in this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
 - 2. No one appeared on behalf of Custom Carbon Processing, Inc (Custom).
 - 3. Custom president/CEO requested a continuance to the February 11, 2016 hearing.
- 4. Custom has not paid the outstanding fines and the previously identified compliance issues have not been resolved.
- 5. Staff recommended that the plugging and reclamation bond of Custom be forfeited for failure to plug its Wojahn A 5-2 and the Michels A 8-3 well.
- 6. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that respondent has not demonstrated that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the plugging and reclamation bond for Custom Carbon Processing, Inc. is forfeited.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 10^{th} day of December, 2015.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

	Linda Nelson, Chairman
	Wayna Smith Vice Chairman
	Wayne Smith, Vice-Chairman
	Steven Durrett, Board Member
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
TEST:	