

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
BOARD OF OIL AND GAS CONSERVATION
BILLINGS, MONTANA
February 1 & 2, 2017

CONSERVATION AND PREVENTION)
OF WASTE OF OIL AND GAS)

NOTICE OF PUBLIC HEARING

The Board of Oil and Gas Conservation of the State of Montana will hold its business meeting on Wednesday, February 1, 2017, at 2:00 p.m. in the hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. The revised agenda for that meeting is as follows:

1. Call to order
2. Approval of minutes of December 14, 2016, business meeting
3. Public comment on agenda and non-agenda items
4. Consideration of initiating rulemaking on hydraulic fracturing disclosure
5. Plugging and reclamation program and update
6. Financial report
7. Bond summary & incident report
8. Docket summary
9. Gas flaring exceptions
10. Staff reports
11. Other business

There will be a farewell reception for Linda Nelson, Board Chairman, and Wayne Smith, Vice Chairman, on Wednesday, February 1, 2017, at 5:30 p.m. This will take place at the Billings Petroleum Club at 27 North 27th Street, 22nd floor in Billings, Montana.

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below at 8:00 a.m. on Thursday, February 2, 2017, in the hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. Interested persons have the opportunity to be heard for each docket. For more information or to request accommodation for a disability, please contact Erin Ricci at (406) 444-6731 or Jennifer Rath at (406) 656-0040, as soon as possible before the scheduled hearing.

Docket 39-2016
Continued from October 2016

APPLICANT: XTO ENERGY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc.** to pool all interests in the permanent spacing unit comprised of all of Sections 28, 29, 32, and 33, T23N-R59E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken/Three Forks Formation and to authorize the recovery of non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Dige #41X-29DXA well.

Docket 1-2017
SHOW-CAUSE HEARING

RESPONDENT: MONTANA OIL FIELD ACQUISITION I, LLC – PONDERA AND TOOLE COUNTIES, MONTANA

Upon the Board's own motion to require **Montana Oil Field Acquisition I, LLC** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to address violations at several of the producing leases and pay the penalty of \$34,000, and to file production reports.

Docket 2-2017
SHOW-CAUSE HEARING

RESPONDENT: MOUNTAIN PACIFIC GENERAL INC. – CHOUTEAU, GOLDEN VALLEY, HILL, PONDERA, RICHLAND, STILLWATER, SWEETGRASS, AND TOOLE COUNTIES, MONTANA

Upon the Board's own motion to require **Mountain Pacific General Inc.** to appear and show cause, if any it has, why its plugging and reclamation bond has not been increased to \$250,000 and for failure to pay the \$1,000 penalty assessed for not appearing at the December 15, 2016, public hearing.

Docket 3-2017
SHOW-CAUSE HEARING

RESPONDENT: SEYMOUR, JAMES G. – TOOLE COUNTY, MONTANA

Upon the Board's own motion to require **Seymour, James G** to appear and show-cause, if any it has, why additional penalties should not be imposed for failure to pay the administrative penalty assessed for delinquent reporting and for failure to pay the \$1,000 fine assessed for not appearing at the December 15, 2016, public hearing.

Docket 4-2017
SHOW-CAUSE HEARING

RESPONDENT: SEYMOUR, JAMES & LORRAINE – TOOLE COUNTY, MONTANA

Upon the Board's own motion to require **Seymour, James & Lorraine** to appear and show-cause, if any it has, why additional penalties should not be imposed for failure to pay the administrative penalty assessed for delinquent reporting and for failure to pay the \$1,000 fine assessed for not appearing at the December 15, 2016, public hearing.

Docket 5-2017
SHOW-CAUSE HEARING

RESPONDENT: BENSUN ENERGY, LLC – SHERIDAN COUNTY, MONTANA

Upon the Board's own motion to require **Bensun Energy, LLC** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to file production reports. This docket will be dismissed if 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 Bensun Energy, LLC to further penalties as prescribed by Board Policy.

Docket 6-2017
SHOW-CAUSE HEARING

RESPONDENT: HINTO ENERGY, LLC – MUSSELSHELL COUNTY, MONTANA

Upon the Board's own motion to require **Hinto Energy, LLC** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to file production reports and injection 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 Hinto Energy, LLC to further penalties as prescribed by Board Policy.

Docket 7-2017
SHOW-CAUSE HEARING

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

Upon the Board's own motion to require **Kykuit Resources, LLC** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to pay the administrative penalty assessed for delinquent reporting. In accordance with Board policy the amount due now is \$520.00. This docket will be dismissed if payment is received prior to the hearing. Failure to appear at the Show Cause hearing or to make suitable arrangements prior to said hearing subjects Kykuit Resources, LLC to further penalties as prescribed by Board Policy.

Docket 8-2017
SHOW-CAUSE HEARING

RESPONDENT: MONTANA LAND & MINERAL CO. – LIBERTY COUNTY, MONTANA

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

Docket 97-2015
SHOW-CAUSE HEARING
Continued from August 2015

RESPONDENT: AUGUSTA EXPLORATION, LLC – LEWIS AND CLARK COUNTY, MONTANA

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, public hearing.

Docket 49-2016
SHOW-CAUSE HEARING
Continued from October 2016

RESPONDENT: STORM CAT ENERGY (USA) OPERATING CORPORATION – BIG HORN COUNTY, MONTANA

Upon the Board's own motion to require **Storm Cat Energy (USA) Operating Corporation** to appear and show cause, if any it has, why it should not provide a plan and timeline for the plugging and abandonment or transfer of its three wells and why additional penalties should not be assessed for failure to pay the outstanding fine of \$1,340, and appear at the August 11, 2016, public hearing.

BOARD OF OIL AND GAS CONSERVATION

Erin Ricci
Administrative Assistant