

STATE OF MONTANA  
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION  
BOARD OF OIL AND GAS CONSERVATION  
BILLINGS, MONTANA  
April 5 & 6, 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, April 5, 2017, at 2:00 p.m. in the hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. The agenda for that meeting is as follows:

1. Call to order
2. Approval of minutes of February 1, 2017, business meeting
3. Public comment on agenda and non-agenda items
4. Hydraulic fracturing status report
5. Financial report
6. Plugging and reclamation program update
7. Bond summary & incident report
8. Docket summary
9. Gas flaring exceptions
10. Black Gold Energy Resource Development, LLC
11. Staff reports
12. Other business

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, April 6, 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 9-2017

**APPLICANT: BEHM ENERGY, INC. – BLAINE COUNTY, MONTANA**

Upon the application of **Behm Energy, Inc.** to drill a Sawtooth Formation oil test well to an approximate total depth of 4,000' at a proposed well location approximately 70' from the north boundary and 130' from the east boundary of the SW¼SE¼ in Section 27, T35N-R20E, Blaine County, Montana, as an exception to A.R.M. 36.22.702(1, 2, & 7). Should the proposed well be drilled and completed as a well capable of commercial production of oil, applicant shall apply for an Order designating and delineating a permanent spacing unit for production of Sawtooth Formation oil therefrom. Applicant requests placement on the Default Docket.

Docket 10-2017

**APPLICANT: MONTANA LAND & EXPLORATION, INC. – BLAINE COUNTY, MONTANA**

Upon the application of **Montana Land & Exploration, Inc.** to drill a Niobrara Formation natural gas test well at a proposed well location approximately 1,914' FNL and 472' FWL in Section 2, T30N-R17E, Blaine County, Montana, as an exception to A.R.M. 36.22.702(11). Should the proposed well be drilled and completed as a well capable of commercial production of natural gas from the Niobrara Formation, applicant shall apply for an Order designating and delineating a permanent spacing unit for production of natural gas therefrom. Applicant requests placement on the Default Docket.

Docket 11-2017

**APPLICANT: MONTANA LAND & EXPLORATION, INC. – BLAINE COUNTY, MONTANA**

Upon the application of **Montana Land & Exploration, Inc.** to drill a Muddy Formation natural gas test well at a proposed well location approximately 225' FSL and 636' FWL in Section 17, T30N-R18E, Blaine County, Montana, as an exception to A.R.M. 36.22.702(11). Should the proposed well be drilled and completed as a well capable of commercial production of natural gas from the Muddy Formation, applicant shall apply for an Order designating and delineating a permanent spacing unit for production of natural gas therefrom. Applicant requests placement on the Default Docket.

Docket 12-2017

**APPLICANT: MONTANA LAND & EXPLORATION, INC. – BLAINE COUNTY, MONTANA**

Upon the application of **Montana Land & Exploration, Inc.** to drill a Cat Creek Formation natural gas test well at a proposed well location approximately 750' FSL and 2,386' FWL in Section 14, T30N-R18E, Blaine County, Montana, as an exception to A.R.M. 36.22.702(11). Should the proposed well be drilled and completed as a well capable of commercial production of natural gas from the Cat Creek Formation, applicant shall apply for an Order designating and delineating a permanent spacing unit for production of natural gas therefrom. Applicant requests placement on the Default Docket.

Docket 13-2017

**APPLICANT: MONTANA LAND & EXPLORATION, INC. – BLAINE COUNTY, MONTANA**

Upon the application of **Montana Land & Exploration, Inc.** to drill a Cat Creek Formation natural gas test well at a proposed well location approximately 466' FSL and 2,271' FWL in Section 16, T30N-R18E, Blaine County, Montana, as an exception to A.R.M. 36.22.702(11). Should the proposed well be drilled and completed as a well capable of commercial production of natural gas from the Cat Creek Formation, applicant shall apply for an Order designating and delineating a permanent spacing unit for production of natural gas therefrom. Applicant requests placement on the Default Docket.

Docket 14-2017

**APPLICANT: MONTANA LAND & EXPLORATION, INC. – BLAINE COUNTY, MONTANA**

Upon the application of **Montana Land & Exploration, Inc.** to drill a Cat Creek Formation natural gas test well at a proposed well location approximately 483' FSL and 2441' FWL in Section 17, T30N-R18E, Blaine County, Montana, as an exception to A.R.M. 36.22.702(11). Should the proposed well be drilled and completed as a well capable of commercial production of natural gas from the Cat Creek Formation, applicant shall apply for an Order designating and delineating a permanent spacing unit for production of natural gas therefrom. Applicant requests placement on the Default Docket.

Docket 15-2017

**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 its wells should not be plugged and abandoned and why additional penalties should not be assessed for failure to file productions reports, to pay the outstanding fine of \$34,000, and to appear at the February 2, 2017, public hearing.

Docket 16-2017  
**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 provide a plan for the plugging and abandonment of its wells at the Board's April 6, 2017, public hearing.

Docket 17-2017  
**SHOW-CAUSE HEARING**

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

Upon the request of staff to vacate Order 6-2017 and the \$1,000 penalty assessed for **Kykuit Resources, LLC's** failure to appear at the February 2, 2017, public hearing. The penalty for delinquent reporting was received in the Board's office on the day of the hearing.

Docket 18-2017  
**SHOW-CAUSE HEARING**

**RESPONDENT: ANTELOPE RESOURCES, INC. – YELLOWSTONE COUNTY, MONTANA**

Upon the Board's own motion to require **Antelope Resources, Inc.** 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 \$260.00. 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 Antelope Resources, Inc. 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 48-2016  
**SHOW-CAUSE HEARING**  
Continued from October 2016

**RESPONDENT: SHADWELL RESOURCES GROUP, LLC – RICHLAND COUNTY, MONTANA**

Upon the Board's own motion to require **Shadwell Resources Group, LLC** to appear and show cause, if any it has, why it should not complete or plug the Ft. Gilbert 3 SWD well (API # 25-083-21074) located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 32, T24N-R59E, Richland County, Montana prior to the April 6, 2017, public hearing and why it should not pay the \$2,000 fine for failure to complete or plug the well prior to the October 27, 2016, 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

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Erin Ricci  
Administrative Assistant