

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
BOARD OF OIL AND GAS CONSERVATION
BILLINGS, MONTANA
April 18 & 19, 2018

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 18, 2018, 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 14, 2018, business meeting
3. Public comment on agenda and non-agenda items
4. Rulemaking update
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. Bensun Energy, LLC
12. Staff reports
13. 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 **9:00 a.m.** on Thursday, April 19, 2018, in the hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. Interested persons have the opportunity to be heard for each docket. For more information or to request accommodation for a disability, please contact Erin Ricci at (406) 444-6731 or Jennifer Breton at (406) 656-0040, as soon as possible before the scheduled hearing.

Docket 10-2018

APPLICANT: BRISCOE PETROLEUM, LLC – BIG HORN COUNTY, MONTANA

Upon the application of **Briscoe Petroleum, LLC** to create a temporary spacing unit comprised of the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31 and the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 32, T1N-R35E, Big Horn County, Montana, to drill an Amsden Formation oil and gas test at a proposed well location approximately 36' FWL and 1,275' FSL in Section 32, as an exception to A.R.M. 36.22.702.

Docket 11-2018

APPLICANT: XTO ENERGY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc** for approval of a pilot enhanced recovery project pursuant to A.R.M. 36.22.1229 in the Bakken Formation involving all of Sections 15 and 22, T24N-56E, Richland County, Montana, for a period not to exceed eighteen months from the commencement of injection operations.

Docket 12-2018

APPLICANT: MONTANA BOARD OF OIL AND GAS CONSERVATION – RICHLAND, ROOSEVELT, AND SHERIDAN COUNTIES, MONTANA

Upon the Board's own motion to determine whether **White Rock Oil & Gas, LLC's** current \$50,000 multiple well plugging and reclamation bond is adequate to cover the wells on the pending change of operator requests from Vanguard Operating LLC and Oasis Petroleum North America LLC, or if the bond amount should be doubled, or if the number of wells covered by the multiple well bond should be limited, in accordance with ARM 36.22.1308(3).

Docket 13-2018

APPLICANT: MONTANA BOARD OF OIL AND GAS CONSERVATION – MUSSELSHELL COUNTY, MONTANA

Upon the Board's own motion to vacate Board Order 18-1969, which approved a waterflood project in the Buttes-Keg Coulee (Tyler 'C' Sand) Unit, Musselshell County, Montana. The federal secondary recovery unit was terminated by the Bureau of Land Management effective September 27, 2017.

Docket 14-2018

APPLICANT: XTO ENERGY INC. - RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc.** to convert the Donna 31X-15BXC well (API #25-083-22876) located in the NW¼NE¼ of Section 15, T24N-R56E, Richland County, Montana (Wildcat) to an enhanced recovery injection well in the Bakken Formation at a depth of approximately 10,411-10,444 ft TVD. Staff notes this application is eligible for placement on the default docket.

Docket 15-2018

APPLICANT: HYDRA MT LLC - ROOSEVELT COUNTY, MONTANA

Upon the application of **Hydra MT LLC** to drill a saltwater disposal well in the NW¼SW¼ of Section 26, T27N-R57E, Roosevelt County, Montana (Wildcat) to the Dakota Formation at a depth of approximately 4,549-5,370 ft. Staff notes this application is eligible for placement on the default docket.

Docket 74-2017

Continued from December 2017

APPLICANT: BALKO, INC. – TETON COUNTY, MONTANA

Upon the application of **Balko, Inc.** to convert the Caskey 44-5 well (API #25-099-21253) located in the SE¼SE¼ of Section 5, T25N-R3W, Teton County, Montana (Runaway Field) to a saltwater disposal well in the Madison Formation at a depth of approximately 1,785 ft. An aquifer exemption is being requested as the water in the injection formation contains less than 10,000 mg/l total dissolved solids. Staff notes this application is eligible for placement on the default docket.

Docket 2-2018
Continued from February 2018

APPLICANT: SLAWSON EXPLORATION COMPANY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Slawson Exploration Company Inc.** to create a temporary spacing unit comprised of the SW¼SW¼ of Section 3, SE¼SE¼ of Section 4, NE¼NE¼ of Section 9 and NW¼NW¼ of Section 10, T25N-R52E, Richland County, Montana, to recomplete the Saber 1-4H well, located approximately 530' FSL, 300' FEL in Section 4, as a Charles Formation well. Applicant requests placement on the Default Docket.

Docket 16-2018
SHOW-CAUSE HEARING

RESPONDENT: ALTA VISTA OIL CORPORATION – BIG HORN COUNTY, MONTANA

Upon the Board's own motion to require **Alta Vista Oil Corporation** 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 Alta Vista Oil Corporation to further penalties as prescribed by Board Policy.

Docket 17-2018
SHOW-CAUSE HEARING

RESPONDENT: PHOENIX ENERGY, INC. – TOOLE COUNTY, MONTANA

Upon the Board's own motion to require **Phoenix Energy, 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 \$280.00. 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 Phoenix Energy, Inc. to further penalties as prescribed by Board Policy.

Docket 18-2018
SHOW-CAUSE HEARING

RESPONDENT: PROVIDENT ENERGY OF MONTANA, LLC – MUSSELSHELL COUNTY, MONTANA

Upon the Board's own motion to require **Provident Energy of Montana, 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 \$420.00. 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 Provident Energy of Montana, LLC to further penalties as prescribed by Board Policy.

Docket 19-2018
SHOW-CAUSE HEARING

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

Upon the Board's own motion to require **Roland Oil and Gas** to appear and show cause, if any it has, why 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 \$240.00. 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 Roland Oil and Gas to further penalties as prescribed by Board Policy.

Docket 77-2017
SHOW-CAUSE HEARING
Continued from December 2017

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 \$260.00. 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.

BOARD OF OIL AND GAS CONSERVATION

Erin Ricci
Administrative Assistant