

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF RIMROCK RESOURCES, INC. TO
CREATE A TEMPORARY SPACING UNIT COMPRISED OF
NW¹/₄NE¹/₄SE¹/₄, NE¹/₄NW¹/₄SE¹/₄, SW¹/₄SE¹/₄NE¹/₄, SE¹/₄SW¹/₄NE¹/₄ OF
SECTION 33, T2N-R24E, YELLOWSTONE COUNTY, MONTANA, TO
DRILL A MADISON FORMATION OIL AND GAS TEST WELL AT A
LOCATION NOT LESS THAN 330' FROM THE EXTERIOR
BOUNDARIES THEREOF, AS AN EXCEPTION TO A.R.M. 36.22.702
(1, 2, & 7).

ORDER 22-2018

Docket No. 20-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an 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 concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the NW¹/₄NE¹/₄SE¹/₄, NE¹/₄NW¹/₄SE¹/₄, SW¹/₄SE¹/₄NE¹/₄, SE¹/₄SW¹/₄NE¹/₄ of Section 33, T2N-R24E, Yellowstone County, Montana, is designated a temporary spacing unit to drill a Madison Formation oil and gas test well at a location not less than 330' setback to the exterior boundaries thereof, as an exception to A.R.M. 36.22.702 (1, 2, & 7).

BOARD ORDER NO. 22-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO
CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE
SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ OF SECTION 13, E $\frac{1}{2}$ SE, NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$,
NE $\frac{1}{4}$ NW $\frac{1}{4}$, OF SECTION 24, T4N-R61E AND THE SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$,
SW $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 19, W $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ OF
SECTION 30, T4N-R62E, FALLON COUNTY, MONTANA, TO DRILL
A HORIZONTAL MISSION CANYON FORMATION WELL
ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER
THAN 660' SETBACK TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 23-2018

Docket No. 22-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an 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 concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 13, E $\frac{1}{2}$ SE, NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, of Section 24, T4N-R61E and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 19, W $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 30, T4N-R62E, Fallon County, Montana, is designated a temporary spacing unit to drill a horizontal Mission Canyon Formation well anywhere within said temporary spacing unit but not closer than 660' setback to the exterior boundaries thereof.

BOARD ORDER NO. 23-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE W $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ OF SECTION 8 AND THE W $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ OF SECTION 17, T4N-R62E, FALLON COUNTY, MONTANA, TO DRILL A HORIZONTAL MISSION CANYON FORMATION WELL AT A PROPOSED SURFACE LOCATION APPROXIMATELY 1,838' FNL AND 575' FEL IN SECTION 17 AND A PROPOSED BOTTOM HOLE LOCATION APPROXIMATELY 1,909' FSL AND 320' FWL IN SECTION 8.

ORDER 24-2018

Docket No. 23-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an 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 concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the W $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ of Section 8 and the W $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 17, T4N-R62E, Fallon County, Montana, is designated a temporary spacing unit to drill a horizontal Mission Canyon Formation well at a proposed surface location approximately 1,838' FNL and 575' FEL in Section 17 and a proposed bottom hole location approximately 1,909' FSL and 320' FWL in Section 8.

BOARD ORDER NO. 24-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED THE SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 17, T4N-R62E, FALLON COUNTY, MONTANA, AND ADDITIONAL LANDS LOCATED IN THE STATE OF NORTH DAKOTA, TO DRILL A SOUTH TRENDING HORIZONTAL MISSION CANYON FORMATION WELL AT A PROPOSED SURFACE LOCATION APPROXIMATELY 1,904' FNL AND 500' FEL IN SECTION 17 AND A PROPOSED BOTTOM HOLE LOCATION IN NORTH DAKOTA. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 25-2018

Docket No. 24-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an 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 concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 17, T4N-R62E, Fallon County, Montana, and additional lands located in the State of North Dakota, is designated an overlapping temporary spacing unit to drill a south trending horizontal Mission Canyon Formation well at a proposed surface location approximately 1,904' FNL and 500' FEL in Section 17 and a proposed bottom hole location in North Dakota. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.

BOARD ORDER NO. 25-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO
CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE
SE¹/₄SE¹/₄ OF SECTION 9, SW¹/₄SW¹/₄ OF SECTION 10, W¹/₂NE¹/₄,
SE¹/₄NE¹/₄, NW¹/₄, N¹/₂SE¹/₄ OF SECTION 15, AND THE NE¹/₄NE¹/₄ OF
SECTION 16, T6N-R60E, FALLON COUNTY, MONTANA, TO DRILL
A HORIZONTAL MISSION CANYON FORMATION WELL
ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER
THAN 660' SETBACK TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 26-2018

Docket No. 25-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an 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 concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the SE¹/₄SE¹/₄ of Section 9, SW¹/₄SW¹/₄ of Section 10, W¹/₂NE¹/₄, SE¹/₄NE¹/₄, NW¹/₄, N¹/₂SE¹/₄ of Section 15, and the NE¹/₄NE¹/₄ of Section 16, T6N-R60E, Fallon County, Montana, is designated a temporary spacing unit to drill a horizontal Mission Canyon Formation well anywhere within said temporary spacing unit but not closer than 660' setback to the exterior boundaries thereof.

BOARD ORDER NO. 26-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF THE S $\frac{1}{2}$ SW $\frac{1}{4}$ OF SECTION 4, SE $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ OF SECTION 9, SW $\frac{1}{4}$ SW $\frac{1}{4}$ OF SECTION 10, NW $\frac{1}{4}$ NW $\frac{1}{4}$ OF SECTION 15 NE $\frac{1}{4}$ NE $\frac{1}{4}$ OF SECTION 16, T6N-R60E, FALLON COUNTY, MONTANA, TO DRILL A NORTH TRENDING HORIZONTAL MISSION CANYON FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660' SETBACK TO THE EXTERIOR BOUNDARIES THEREOF. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL

ORDER 27-2018

Docket No. 26-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an 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 concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 4, SE $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 9, SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 10, NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15 NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 16, T6N-R60E, Fallon County, Montana, is designated an overlapping temporary spacing unit to drill a north trending horizontal Mission Canyon Formation well anywhere within said overlapping temporary spacing unit but not closer than 660' setback to the exterior boundaries thereof. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.

BOARD ORDER NO. 27-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO
CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE
NW¹/₄NW¹/₄ OF SECTION 4, NE¹/₄NE¹/₄ OF SECTION 5, T6N-R60E, AND
THE SE¹/₄, SW¹/₄NE¹/₄, NW¹/₄, NE¹/₄SW¹/₄ OF SECTION 32, SW¹/₄SW¹/₄ OF
SECTION 33, T7N-R60E, FALLON COUNTY, MONTANA, TO DRILL
A HORIZONTAL MISSION CANYON FORMATION WELL
ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER
THAN 660' SETBACK TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 28-2018

Docket No. 27-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an 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 concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the NW¹/₄NW¹/₄ of Section 4, NE¹/₄NE¹/₄ of Section 5, T6N-R60E, and the SE¹/₄, SW¹/₄NE¹/₄, NW¹/₄, NE¹/₄SW¹/₄ of Section 32, SW¹/₄SW¹/₄ of Section 33, T7N-R60E, Fallon County, Montana, is designated a temporary spacing unit to drill a horizontal Mission Canyon Formation well anywhere within said temporary spacing unit but not closer than 660' setback to the exterior boundaries thereof.

BOARD ORDER NO. 28-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF THE NW¹/₄NW¹/₄, S¹/₂NW¹/₄, N¹/₂SW¹/₄, SE¹/₄SW¹/₄, W¹/₂SE¹/₄ OF SECTION 4, NE¹/₄NE¹/₄ OF SECTION 5, NW¹/₄NE¹/₄, NE¹/₄NW¹/₄ OF SECTION 9, T6N-R60E, AND THE SE¹/₄SE¹/₄ OF SECTION 32, SW¹/₄SW¹/₄ OF SECTION 33, T7N-R60E, FALLON COUNTY, MONTANA, TO DRILL A SOUTH TRENDING HORIZONTAL MISSION CANYON FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660' SETBACK TO THE EXTERIOR BOUNDARIES THEREOF. THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 29-2018

Docket No. 28-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an 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 concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that the NW¹/₄NW¹/₄, S¹/₂NW¹/₄, N¹/₂SW¹/₄, SE¹/₄SW¹/₄, W¹/₂SE¹/₄ of Section 4, NE¹/₄NE¹/₄ of Section 5, NW¹/₄NE¹/₄, NE¹/₄NW¹/₄ of Section 9, T6N-R60E, and the SE¹/₄SE¹/₄ of Section 32, SW¹/₄SW¹/₄ of Section 33, T7N-R60E, Fallon County, Montana, is designated an overlapping temporary spacing unit to drill a south trending horizontal Mission Canyon Formation well anywhere within said overlapping temporary spacing unit but not closer than 660' setback to the exterior boundaries thereof. The overlapping temporary spacing unit shall be limited to production from the proposed horizontal well.

BOARD ORDER NO. 29-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

UPON THE APPLICATION OF MOUNTAIN VIEW ENERGY, INC. TO CONVERT THE RED CREEK 16C-2/9B-2 WELL (API #25-035-21898) LOCATED IN THE SE¹/₄SE¹/₄ OF SECTION 2, T37N-R5W, GLACIER COUNTY, MONTANA (RED CREEK FIELD) TO A SALTWATER DISPOSAL WELL IN THE CUT BANK FORMATION AT A DEPTH OF APPROXIMATELY 2,690-2,704 FT., AND THE MADISON FORMATION AT A DEPTH OF APPROXIMATELY 2,824-2,844 FT. AN AQUIFER EXEMPTION IS BEING REQUESTED AS WATER IN THE INJECTION FORMATION CONTAINS LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 30-2018

Docket No. 30-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an 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 concludes that the applicant demonstrated the requirements of ARM 36.22.1403 have been met.

Order

IT IS THEREFORE ORDERED by the Board that the application of Mountain View Energy, Inc. is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 30-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF 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 REMEDY THE FIELD VIOLATIONS AT THE LOUCKS 33-27 WELL (API #25-091-21676) LOCATED IN THE NW¼SE¼ OF SECTION 27, T36N-R52E, SHERIDAN COUNTY, MONTANA. 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.

ORDER 31-2018

Docket No. 33-2018

Report of the Board

The above entitled cause came on regularly for hearing on June 14, 2018, 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 Steven Durrett 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, 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 an opportunity to present evidence, oral and documentary.
2. Lance Benson appeared on behalf of Bensun Energy, LLC (Bensun). Mr. Benson acknowledged the outstanding issues and requested additional time to cleanup the Loucks 33-27 well.
3. On March 12, 2018, a field inspector discovered a saltwater spill at the Loucks 33-27 well located in the NW¼SE¼ of Section 27, T36N, R52E, Sheridan County, Montana. The spill was contained in a dike and was estimated to be about 60-70 barrels of saltwater. Staff notified Bensun of the spill upon discovery.
4. Administrative Order 2-A-2018 issued on April 18, 2018, directed Bensun to complete the cleanup of the Loucks 33-27 well location by May 10, 2018. If violations were not resolved prior to that date the matter would be included on the docket for the June 14, 2018, public hearing.
5. The field violations were not remedied prior to May 10, 2018, deadline.
6. On June 12, 2018, the field inspector returned to the Loucks 33-27 well site. Cleanup had begun, but additional cleanup work is required to come into compliance.
7. 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.

BOARD ORDER NO. 31-2018

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Bensun must submit two written plans of action from a contractor by noon on June 18, 2018. The first plan will detail its current cleanup activity and the second plan will detail how any additional contamination found at the wellsite will be handled.

IT IS FURTHER ORDERED that Bensun is subject to a \$250 fine for each day after July 5, 2018, that the violations remain unresolved. The fine will remain in effect until compliance is confirmed by inspection.

IT IS FURTHER ORDERED that the Board will review any cleanup progress that occurred after the July 5, 2018, deadline at the August 9, 2018, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 14th day of June, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Peggy Ames Nerud, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist