



## MARK CRAGO COMMISSIONER - DISTRICT 2

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### Oil and Gas Board Meeting Aug. 8 2018

#### Public comment Notes:

- Currently Stillwater County has a Citizen Initiated Zoning District under petition for oil and gas regulations, which has been denied do to mineral right owners not having opportunity to sign petition or be considered.
- Stillwater County believes by definition of Real Property owner and the language with in Montana Code Annotated 76-2-101 that mineral owners are Real property and must be considered.
- While in recent court case the Petitioners argue they are merely after road and infrastructure, all meetings leading up to this and propaganda released by petitioners appears to be directed at regulating well space, water quality, air quality, and fracking. With, Stillwater County believing that all but infrastructure are being controlled by the Board of Oil and Gas.
- We would encourage you to review the postings on the petitioner's web site/ blog and make yourselves aware of what is going on in our County. <https://preservethebeartoothfront.com>
- Stillwater County would also like to request some kind of educational program from the Board of Oil and Gas on what the Board does, the rules they have and the enforcement process. This is in hopes that the County as well as the General public have the opportunity to be educated and informed to the best we can do.
- We are here to inform you of the situation and ask for your help in educated Stillwater County. We appreciated your time and considerations.

Commissioner Mark Crago

**MONTANA BOARD OF OIL AND GAS CONSERVATION  
FINANCIAL STATEMENT**

As of 8/6/18

Fiscal Year 2018: Percent of Year Elapsed - 100%

|            |                                 | Budget           | Expends          | Remaining      | %           |
|------------|---------------------------------|------------------|------------------|----------------|-------------|
| Regulatory | Personal Services               | 1,155,411        | 1,031,475        | 123,936        | 89.3        |
| UIC        | Personal Services               | 253,626          | 222,418          | 31,208         | 87.7        |
|            | <b>Total Expended</b>           | <b>1,409,037</b> | <b>1,253,893</b> | <b>155,144</b> | <b>89.0</b> |
| Regulatory | Equipment & Assets              | 46,371           | -                | 46,371         | 0.0         |
| UIC        | Equipment & Assets              | 10,179           | -                | 10,179         | 0.0         |
|            | <b>Total Expended</b>           | <b>56,550</b>    | <b>-</b>         | <b>56,550</b>  | <b>0.0</b>  |
| Regulatory | Operating Expenses:             |                  |                  |                |             |
|            | Contracted Services             | 167,395          | 105,440          | 61,955         | 63.0        |
|            | Supplies & Materials            | 46,745           | 37,994           | 8,752          | 81.3        |
|            | Communication                   | 63,034           | 47,345           | 15,689         | 75.1        |
|            | Travel                          | 36,206           | 21,985           | 14,221         | 60.7        |
|            | Rent                            | 25,877           | 18,028           | 7,849          | 69.7        |
|            | Utilities                       | 16,394           | 14,825           | 1,569          | 90.4        |
|            | Repair/Maintenance              | 24,633           | 28,993           | (4,360)        | 117.7       |
|            | Other Expenses                  | 26,215           | 18,650           | 7,565          | 71.1        |
|            | <b>Total Operating Expenses</b> | <b>406,499</b>   | <b>293,259</b>   | <b>113,240</b> | <b>72.1</b> |
| UIC        | Operating Expenses:             |                  |                  |                |             |
|            | Contracted Services             | 36,744           | 14,839           | 21,905         | 40.4        |
|            | Supplies & Materials            | 10,262           | 8,639            | 1,622          | 84.2        |
|            | Communication                   | 13,903           | 10,043           | 3,859          | 72.2        |
|            | Travel                          | 7,948            | 4,211            | 3,737          | 53.0        |
|            | Rent                            | 5,680            | 2,922            | 2,758          | 51.4        |
|            | Utilities                       | 3,599            | 2,776            | 823            | 77.1        |
|            | Repair/Maintenance              | 5,407            | 5,993            | (586)          | 110.8       |
|            | Other Expenses                  | 5,755            | 7,045            | (1,290)        | 122.4       |
|            | <b>Total Operating Expenses</b> | <b>89,297</b>    | <b>56,468</b>    | <b>32,829</b>  | <b>63.2</b> |
|            | <b>Total Expended</b>           | <b>495,796</b>   | <b>349,727</b>   | <b>146,069</b> | <b>70.5</b> |

|                          | Budget         | Expends  | Remaining      | %          |
|--------------------------|----------------|----------|----------------|------------|
| <b>Carryforward FY16</b> |                |          |                |            |
| Personal Services        | 21,416         | -        | 21,416         | 0.0        |
| Operating Expenses       | 42,833         | -        | 42,833         | 0.0        |
| Equipment & Assests      | 42,833         | -        | 42,833         | 0.0        |
| <b>Total</b>             | <b>107,082</b> | <b>-</b> | <b>107,082</b> | <b>0.0</b> |
| <b>Carryforward FY17</b> |                |          |                |            |
| Personal Services        | 63,132         | -        | 63,132         | 0.0        |
| Operating Expenses       | 63,132         | -        | 63,132         | 0.0        |
| Equipment & Assests      | 30,000         | -        | 30,000         | 0.0        |
| <b>Total</b>             | <b>156,264</b> | <b>-</b> | <b>156,264</b> | <b>0.0</b> |

| Funding Breakout | Regulatory Budget | Regulatory Expends | UIC Budget     | UIC Expends    | 2018 Total Budget | 2018 Total Expends | %           |
|------------------|-------------------|--------------------|----------------|----------------|-------------------|--------------------|-------------|
| State Special    | 1,608,281         | 1,324,734          | 353,102        | 278,886        | 1,961,383         | 1,603,620          | 81.8        |
| Federal          | -                 | -                  | 96,420         | 54,852         | 96,420            | 54,852             | 56.9        |
| <b>Total</b>     | <b>1,608,281</b>  | <b>1,324,734</b>   | <b>449,522</b> | <b>333,738</b> | <b>2,057,803</b>  | <b>1,658,472</b>   | <b>80.6</b> |

EXHIBIT 2

**REVENUE INTO STATE SPECIAL REVENUE ACCOUNT**

|                              | FY 18               | FY 17               |
|------------------------------|---------------------|---------------------|
| Oil & Gas Production Tax     | \$ 2,473,832        | \$ 2,399,050        |
| Oil Production Tax           | 2,238,184           | 2,210,579           |
| Gas Production Tax           | 235,648             | 188,471             |
| Drilling Permit Fees         | 15,500              | 12,575              |
| UIC Permit Fees              | 239,800             | 242,800             |
| Interest on Investments      | 11,133              | 8,826               |
| Copies of Documents          | 658                 | 541                 |
| Public Information Request   | -                   | 221                 |
| Miscellaneous Reimbursements | 23,045              | 6,801               |
| <b>TOTAL</b>                 | <b>\$ 2,763,968</b> | <b>\$ 2,670,814</b> |

**REVENUE INTO DAMAGE MITIGATION ACCOUNT**

|                          | FY 18             | FY 17            |
|--------------------------|-------------------|------------------|
| RIT Investment Earnings: | \$ 131,005        | \$ -             |
| July                     | -                 | -                |
| August                   | 12,531            | -                |
| September                | 9,947             | -                |
| October                  | 10,149            | -                |
| November                 | 12,509            | -                |
| December                 | 10,203            | -                |
| January                  | 10,392            | -                |
| February                 | 11,740            | -                |
| March                    | 9,234             | -                |
| April                    | 11,055            | -                |
| May                      | 11,940            | -                |
| June                     | 21,305            | -                |
| Bond Forfeitures:        | 210,381           | 15,000           |
| Interest on Investments  | 9,663             | 7,562            |
| <b>TOTAL</b>             | <b>\$ 351,049</b> | <b>\$ 22,562</b> |

**INVESTMENT ACCOUNT BALANCES**

|                           |              |
|---------------------------|--------------|
| Regulatory Account        | \$ 1,484,688 |
| Damage Mitigation Account | \$ 771,173   |

**REVENUE INTO GENERAL FUND FROM FINES**

|  | FY 18            |
|--|------------------|
| ROLAND OIL AND GAS   | 7/7/2017 \$ 110  |
| EAGLE CREEK COLONY INC                                     | 7/14/2017 140    |
| MONTANA LAND AND MINERAL COMPANY                           | 9/8/2017 60      |
| HAWLEY OIL LLP   | 9/22/2017 250    |
| NINE POINT ENERGY LLC                                      | 9/22/2017 110    |
| PETRO-HUNT LLC   | 9/22/2017 250    |
| SCOUT ENERGY MANAGEMENT LLC                                | 9/22/2017 2,730  |
| PINNACLE ENERGY GROUP LLC                                  | 9/29/2017 90     |
| GALUSKA GEORGE AND BARBARA REVOCABLE TRUST                 | 10/13/2017 130   |
| HIGHLANDS NATURAL RESOURCES CORP / HIGHLANDS MONTANA CORP. | 10/20/2017 60    |
| SHADWELL RESOURCES GROUP LLC                               | 10/20/2017 70    |
| CARRELL OIL COMPANY  | 10/26/2017 370   |
| COALRIDGE DISPOSAL AND PETROLEUM                           | 10/27/2017 80    |
| DALCO INC CROW NUMBER 1 / LOREN P SMITH AND CHAS P FOSTER  | 10/27/2017 70    |
| JUSTICE SWD LLC  | 10/27/2017 70    |
| MONTANA PALLET ART AND DESIGN / BENSUN ENERGY LLC          | 10/31/2017 1,260 |
| SOAP CREEK ASSOCIATES LLC                                  | 11/9/2017 110    |
| SOLOMON EXPLORATION / SOLOMON, TED/GAIL                    | 11/9/2017 70     |
| DRAWINGS LLC   | 11/17/2017 70    |
| THREE FORKS RESOURCES LLC                                  | 11/17/2017 70    |
| HOFLAND, JAMES D   | 11/22/2017 140   |
| MISC OIL CO  | 12/21/2017 60    |
| AB ENERGY LLC  | 12/26/2017 90    |
| BRAINSTORM ENERGY INC                                      | 1/5/2018 60      |
| HERCO LLC  | 1/5/2018 70      |
| YOUNG BROS LLC / GRASSY BUTTE LLC                          | 1/12/2018 70     |
| HIGHLINE EXPLORATION INC                                   | 2/1/2018 980     |
| BENSON LANCE BENSUN ENERGY LLC                             | 2/14/2018 1,000  |
| LONGSHOT OIL LLC   | 2/26/2018 60     |
| INTERSTATE EXPLORATION LLC                                 | 3/1/2018 500     |
| SDOCO LLC  | 3/9/2018 120     |
| FAIRWAYS EXPLORATION AND PRODUCTION LLC                    | 3/9/2018 60      |
| GREAT PLAINS ENERGY INC                                    | 3/16/2018 70     |
| OMIMEX CANADA LTD  | 3/16/2018 60     |
| PHOENIX ENERGY INC   | 3/26/2018 140    |
| PROVIDENT ENERGY OF MONTANA LLC                            | 4/6/2018 420     |
| PHOENIX ENERGY INC   | 4/11/2018 140    |
| ROLAND OIL AND GAS   | 4/16/2018 240    |
| HOFLAND JAMES D  | 4/27/2018 70     |
| HABETS GLEN  | 4/27/2018 90     |
| RANCH OIL CO INC   | 4/27/2018 60     |
| ALTA VISTA OIL   | 4/27/2018 120    |
| PONDEROSA RESOURCES CORP / WIND RIVER HYDROCARBONS INC     | 4/27/2018 60     |
| CARRELL OIL COMPANY  | 5/3/2018 110     |
| RCS OIL INC  | 5/11/2018 120    |
| MONTANA LAND AND MINERALS COMPANY                          | 5/11/2018 70     |
| SAGE CREEK COLONY  | 5/16/2018 60     |
| WHITING OIL AND GAS CORP                                   | 5/16/2018 70     |
| BLACK GOLD ENERGY RESOURCE DEVELOPMENT LLC                 | 6/14/2018 2,000  |
| DRAWINGS LLC   | 6/14/2018 200    |
| MISC OIL CO  | 6/14/2018 70     |
| PINNACLE ENERGY GROUP LLC                                  | 6/14/2018 180    |
| LONGSHOT OIL LLC   | 6/22/2018 120    |
| ROCK CREEK OIL INC   | 6/22/2018 70     |
| TYLER ROCKIES EXPLORATION LTD                              | 6/29/2018 110    |
| IOFINA RESOURCES INC                                       | 6/29/2018 450    |
| <b>TOTAL</b>   | <b>\$ 14,480</b> |

**DAMAGE MITIGATION CONTRACTS**

| <u>Name</u>                                    | <u>Authorized Amt</u> | <u>Expended</u>   | <u>Balance</u>    | <u>Status</u>  | <u>Expiration Date</u> |
|--|-----------------------|-------------------|-------------------|----------------|------------------------|
| Flack #1 Plugging                              | \$ 50,356             | \$ 49,098         | \$ 1,258          | Completed      | 12/31/2017             |
| Danielson 1 Well Plug and Reclaim              | 23,805                | 21,306            | 2,499             | Completed      | 6/30/2018              |
| Goeddertz 1                                    | 20,480                | 13,499            | 6,981             | Completed      | 6/30/2018              |
| Beery 2 and Beery 22-24 Wells Plug and Reclaim | 176,500               | 156,853           | 19,647            | Under Contract | 6/30/2018              |
| Krone-Augusta 31-32-1 Well Plug and Reclaim    | 600,000               | -                 | 600,000           | Under Contract | 9/30/2018              |
| <b>TOTAL</b>                                   | <b>\$ 871,141</b>     | <b>\$ 240,756</b> | <b>\$ 630,385</b> |                |                        |

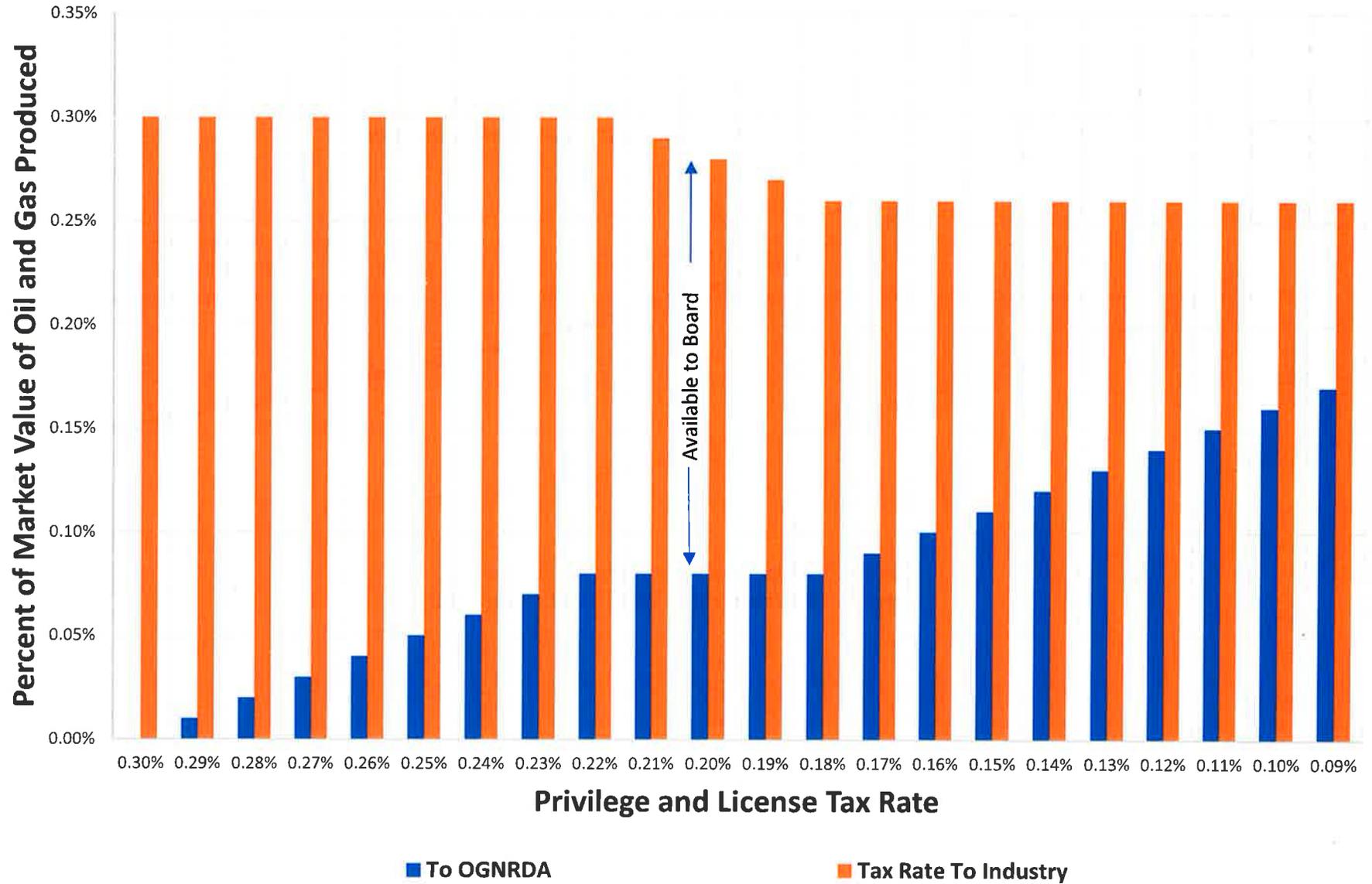
**CONTRACTS**

| <u>Name</u>                                 | <u>Authorized Amt</u> | <u>Expended</u>   | <u>Balance</u>    | <u>Status</u>  | <u>Expiration Date</u> |
|---|-----------------------|-------------------|-------------------|----------------|------------------------|
| MT Tech - Elm Coulee EOR Study (MOU 127220) | \$ 863,905            | \$ 696,987        | \$ 166,918        | Under Contract | 12/31/2019             |
| Agency Legal Services 2018                  | 70,000                | 28,963            | 41,037            | Under Contract | 6/30/2018              |
| COR Enterprises - Billings Janitorial       | 48,664                | 31,678            | 16,986            | Under Contract | 6/30/2018              |
| Production and Injection Form Data Entry    | 1,134                 | 1,134             | -                 | Completed      | 10/31/2017             |
| Production and Injection Form Data Entry    | 4,536                 | 4,536             | -                 | Completed      | 1/31/2018              |
| Production and Injection Form Data Entry    | 26,000                | 10,252            | 15,748            | Under Contract | 2/28/2019              |
| <b>TOTAL</b>                                | <b>\$ 1,014,239</b>   | <b>\$ 773,550</b> | <b>\$ 240,689</b> |                |                        |

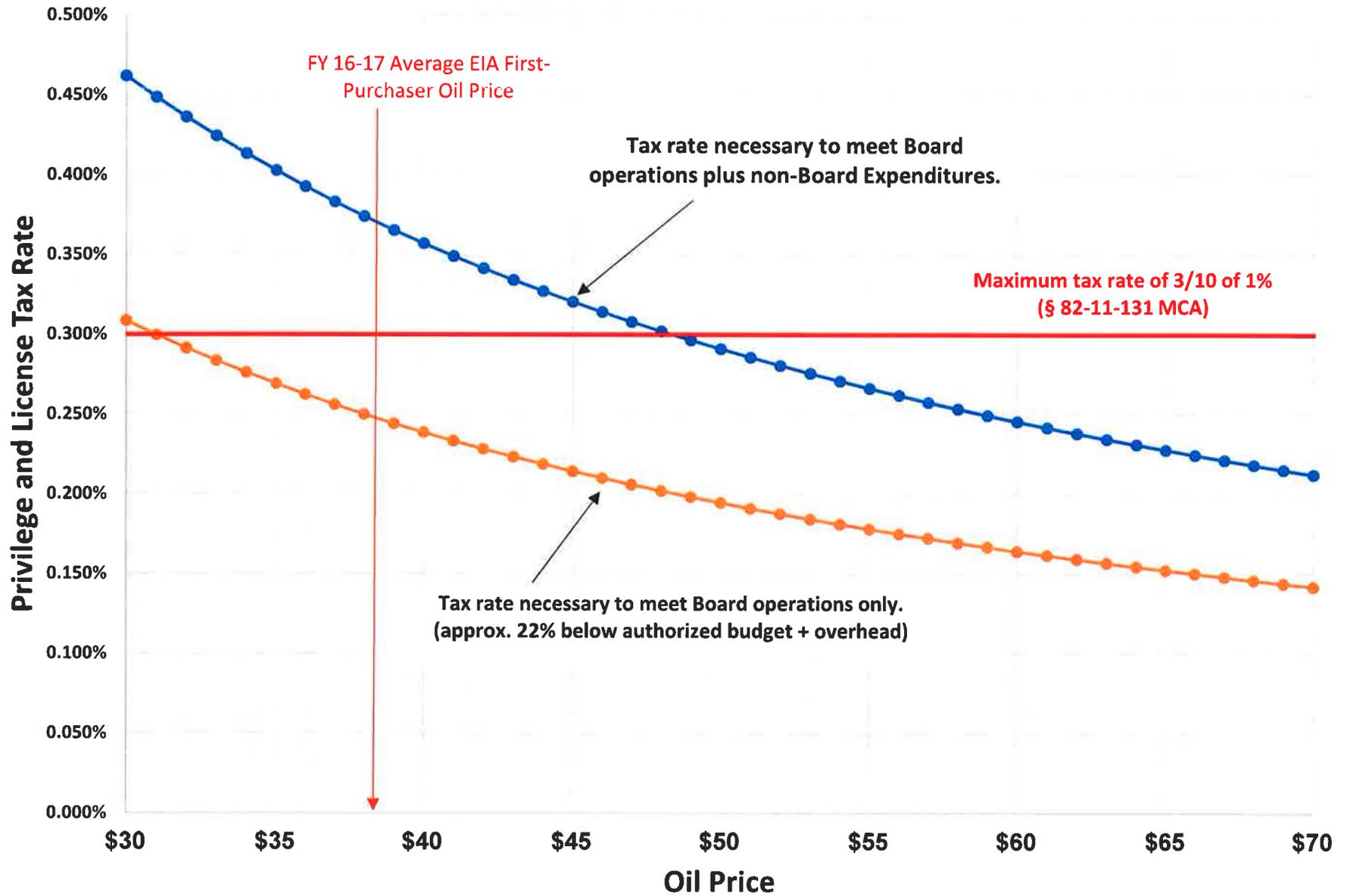
**Agency Legal Services  
Expenditures in FY18**

| <u>Case</u>  | <u>Amt Spent</u> |
|--------------|------------------|
| BOGC Duties  | \$ 27,625        |
| Malsam       | 411              |
| MEIC         | 927              |
| <b>Total</b> | <b>\$ 28,963</b> |

### § 15-36-304(7) MCA - Distribution to Oil and Gas Natural Resource Distribution Account (OGNRDA)



## Tax Rate vs. Expenditures Based Upon FY 2019 Production



**Montana Board of Oil and Gas Conservation  
Summary of Bond Activity**

6/12/2018 Through 8/7/2018

**Approved**

|   |             |                                  |                    |
|---|-------------|----------------------------------|--------------------|
| Alta Vista Oil Corporation<br>Clearmont WY      | 804 M1      | Approved                         | 7/20/2018          |
|   |             | Amount:                          | \$50,000.00        |
|   |             | Purpose:                         | Multiple Well Bond |
| Surety Bond                                     | \$50,000.00 | Liberty Mutual Insurance Company | ACT                |
| Auger Resources LLC<br>Dallas TX                | 841 M1      | Approved                         | 7/27/2018          |
|   |             | Amount:                          | \$50,000.00        |
|   |             | Purpose:                         | Multiple Well Bond |
| Surety Bond                                     | \$50,000.00 | Sirius America Insurance Company | ACT                |
| Ballard Exploration Company, Inc.<br>Houston TX | 838 M1      | Approved                         | 6/29/2018          |
|   |             | Amount:                          | \$50,000.00        |
|   |             | Purpose:                         | Multiple Well Bond |
| Surety Bond                                     | \$50,000.00 | RLI INSURANCE COMPANY            | ACT                |
| Briscoe Petroleum, LLC<br>Sheridan WY           | 733 G3      | Approved                         | 6/29/2018          |
|   |             | Amount:                          | \$10,000.00        |
|   |             | Purpose:                         | Single Well Bond   |
| Certificate of Deposit                          | \$10,000.00 | FIRST INTERSTATE BANK            | ACT                |
| Flat Willow Farm, LLC<br>Winnet MT              | 837 G2      | Approved                         | 7/31/2018          |
|   |             | Amount:                          | \$5,000.00         |
|   |             | Purpose:                         | Single Well Bond   |
| Certificate of Deposit                          | \$5,000.00  | Stockman Bank of Montana         | ACT                |
| Flat Willow Farm, LLC<br>Winnet MT              | 837 G1      | Approved                         | 7/2/2018           |
|   |             | Amount:                          | \$5,000.00         |
|   |             | Purpose:                         | Single Well Bond   |
| Certificate of Deposit                          | \$5,000.00  | Stockman Bank of Montana         | ACT                |
| Lonewolf Operating, LLC<br>Billings MT          | 839 M1      | Approved                         | 7/13/2018          |
|   |             | Amount:                          | \$50,000.00        |
|   |             | Purpose:                         | Multiple Well Bond |
| Certificate of Deposit                          | \$50,000.00 | Yellowstone Bank                 | ACT                |

**Canceled**

|   |        |          |                    |
|---|--------|----------|--------------------|
| Apache Western Exploration LLC<br>Houston TX        | 711 M1 | Canceled | 6/19/2018          |
|   |        | Amount:  | \$50,000.00        |
|   |        | Purpose: | Multiple Well Bond |
| Black Hills Exploration and Production<br>Denver CO | 612 M1 | Canceled | 6/25/2018          |
|   |        | Amount:  | \$50,000.00        |
|   |        | Purpose: | Multiple Well Bond |

# Incident Report

| Company                         | Responsibility | Date      | Incident         | Oil Released | Water Released | Source                 | Contained | Latitude | Longitud   | County    | T-R-S           |
|---------------------------------|----------------|-----------|------------------|--------------|----------------|------------------------|-----------|----------|------------|-----------|-----------------|
| Continental Resources Inc       | BOG            | 6/17/2018 | Fire             | 2 Barrels    |                | Treater                | Yes       | 47.80609 | -104.74964 | Richland  | 24N-54E-26 SWSE |
| Legacy Reserves Operating LP    | BOG            | 6/18/2018 | Spill or Release | 12 Barrels   | 35 Barrels     | Well Head              | Yes       | 47.21388 | -104.91619 | Dawson    | 17N-53E-24 SWSW |
| Denbury Onshore, LLC            | FED            | 6/22/2018 | Fire             |              |                | Other                  | No        | 46.43524 | -104.29249 | Fallon    | 8N-59E-24 SENW  |
| Continental Resources Inc       | BOG            | 6/27/2018 | Fire             | 1 Barrels    |                | Flare Pit              | No        | 47.88149 | -104.61637 | Richland  | 25N-55E-33 NENE |
| Whiting Oil and Gas Corporation | BOG            | 6/27/2018 | Fire             | 1 Barrels    |                | Treater                | No        | 47.83548 | -104.07443 | Richland  | 24N-60E-18 SWSW |
| Denbury Onshore, LLC            | BOG            | 7/5/2018  | Spill or Release |              | 200 Barrels    | Flow Line - Injection  | No        | 46.31932 | -104.17973 | Fallon    | 7N-60E-34 SENE  |
| Poor Boy Oil, LLP               | BOG            | 7/5/2018  | Spill or Release |              | 3 Barrels      | Pump Failure           | Yes       | 47.81771 | -104.18282 | Richland  | 24N-59E-29 NWNW |
| Chaco Energy Company            | BOG            | 7/7/2018  | Spill or Release | 8 Barrels    | 12 Barrels     | Pump Failure           | Yes       | 46.55244 | -104.38300 | Fallon    | 9N-58E-11 NWNE  |
| Petro-Hunt, LLC                 | BOG            | 7/10/2018 | Spill or Release |              | 120 Barrels    | Tank or Tank Battery   | Yes       | 48.52815 | -104.25600 | Sheridan  | 32N-57E-13 SWNW |
| White Rock Oil & Gas, LLC       | FED            | 7/11/2018 | Spill or Release | 500 Barrels  |                | Flow Line - Injection  | Yes       | 48.29172 | -105.38617 | Roosevelt | 29N-49E-5 NWSW  |
| Continental Resources Inc       | BOG            | 7/13/2018 | Fire             | 1 Barrels    |                | Flare Pit              | No        | 47.88296 | -104.61372 | Richland  | 25N-55E-28 SESE |
| Denbury Onshore, LLC            | BOG            | 7/13/2018 | Spill or Release | 10 Gallons   | 50 Barrels     | Flow Line - Production | No        | 46.76650 | -104.59528 | Wibaux    | 12N-57E-30 SWNE |
| Samson Oil and Gas USA, Inc.    | BOG            | 7/17/2018 | Spill or Release | 17 Barrels   |                | Treater                | No        | 47.90194 | -104.14213 | Richland  | 25N-59E-19 NESE |
| J&M Snake Creek Disposal, Inc.  | BOG            | 7/18/2018 | Fire             |              | 300 Barrels    | Tank or Tank Battery   | No        | 48.28287 | -104.12707 | Roosevelt | 29N-58E-12 SWNW |
| Hydra MT LLC                    | BOG            | 7/24/2018 | Spill or Release | 25 Barrels   |                | Tank or Tank Battery   | No        | 47.81507 | -104.17133 | Richland  | 24N-59E-29 SWNE |
| Denbury Onshore, LLC            | BOG            | 7/26/2018 | Spill or Release |              | 75 Barrels     | Well Head              | No        | 46.32246 | -104.13965 | Fallon    | 7N-60E-36 NENE  |
| Denbury Onshore, LLC            | BOG            | 7/26/2018 | Fire             |              |                | Other                  | No        | 46.36685 | -104.24798 | Fallon    | 7N-60E-18 NWNE  |

EXHIBIT 4

Docket Summary

8/9/2018 Hearing

|         |                      |   |                  |  |                          |
|---------|----------------------|---|------------------|--|--------------------------|
| 34-2018 | Kraken Oil & Gas LLC | Permanent spacing unit, Bakken/Three Forks Formation, 25N-59E-4: all, 9: all (Eagle 4-9 #2H).   |                  | Application states Eagle 4-9 #1H, should be the 2H (1H expired permit)<br>TSU, Order 122-2015.<br>Related applications, Dockets 34, 35-2018. | <input type="checkbox"/> |
| 35-2018 | Kraken Oil & Gas LLC | Pooling, permanent spacing unit, Bakken/Three Forks Formation, 25N-59E-4: all, 9: all (Eagle 4-9 #2H). Non-consent penalties requested.     |                  | Related applications, Dockets 34, 35-2018.   | <input type="checkbox"/> |
| 36-2018 | Kraken Oil & Gas LLC | Permanent spacing unit, Bakken/Three Forks Formation, 25N-59E-5: all, 8: all (Fletch 5-8 #1H).  |                  | TSU, Order 123-2015<br>Related applications, Dockets 36, 37-2018.  | <input type="checkbox"/> |
| 37-2018 | Kraken Oil & Gas LLC | Pooling, permanent spacing unit, Bakken/Three Forks Formation, 25N-59E-5: all, 8: all (Fletch 5-8 #1H). Non-consent penalties requested.    |                  | Related applications, Dockets 36, 37-2018.   | <input type="checkbox"/> |
| 38-2018 | Kraken Oil & Gas LLC | Permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-31: all, 32: all (Elroy 32-31 #1H).   |                  | TSU, Order 120-2015<br>Related applications, Dockets 38, 39-2018.  | <input type="checkbox"/> |
| 39-2018 | Kraken Oil & Gas LLC | Pooling, permanent spacing unit, Bakken/Three Forks Formation, 26N-59E-31: all, 32: all (Elroy 32-31 #1H). Non-consent penalties requested. |                  | Related applications, Dockets 38, 39-2018.   | <input type="checkbox"/> |
| 40-2018 | Kraken Oil & Gas LLC | Permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-3: all, 10: all (Doris 10-3 #1H).   |                  | TSU, Order 27-2017<br>Related applications, Dockets 40, 41-2018.   | <input type="checkbox"/> |
| 41-2018 | Kraken Oil & Gas LLC | Pooling, permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-3: all, 10: all (Doris 10-3 #1H). Non-consent penalties requested.   |                  | Related applications, Dockets 40, 41-2018.   | <input type="checkbox"/> |
| 42-2018 | Kraken Oil & Gas LLC | Permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-14: all, 23: all (Della 14-23 #1H).   | <b>Continued</b> | TSU, Order 25-2017<br>Related applications, Dockets 42, 43-2018.<br>Application continued, email received 7/31/18.                           | <input type="checkbox"/> |
| 43-2018 | Kraken Oil & Gas LLC | Pooling, permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-14: all, 23: all (Della 14-23 #1H). Non-consent penalties requested. | <b>Continued</b> | Related applications, Dockets 42, 43-2018.<br>Application continued, email received 7/31/18.   | <input type="checkbox"/> |
| 44-2018 | Kraken Oil & Gas LLC | Permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-15: all, 22: all (Fred 15-22 #1H).  |                  | TSU, Order 141-2015<br>Related applications, Dockets 44, 45-2018.  | <input type="checkbox"/> |
| 45-2018 | Kraken Oil & Gas LLC | Pooling, permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-15: all, 22: all (Fred 15-22 #1H). Non-consent penalties requested.  |                  | Related applications, Dockets 44, 45-2018.   | <input type="checkbox"/> |
| 46-2018 | Denbury Onshore, LLC | Temporary spacing unit, Mission Canyon Formation, 10N-58E-7: E2NE, NESE, 8: W2NW, NWSW, 660' setbacks.                                      | <b>Withdrawn</b> | Letter to withdraw received 8/2/18   | <input type="checkbox"/> |

|         |   |   |                  |  |                          |
|---------|---|---|------------------|--|--------------------------|
| 47-2018 | Denbury Onshore, LLC                        | Temporary spacing unit, Mission Canyon Formation, 10N-58E-16: SWSW, 17: E2NW, W2NE, SENE, SE, 20: NENE, 21: NWNW, 660' setbacks.  |                  |  | <input type="checkbox"/> |
| 48-2018 | Denbury Onshore, LLC                        | Temporary spacing unit, Mission Canyon Formation, 10N-58E-17: S2SW, 20: E2, N2NW, SENW, 660' setbacks.  |                  |  | <input type="checkbox"/> |
| 49-2018 | Denbury Onshore, LLC                        | Overlapping temporary spacing unit, Mission Canyon Formation, 7N-60E-19: SESE, 20: S2SW, 29: W2, W2SE, 30: E2NE, 660' setbacks.   |                  | <i>Overlaps TSU created by order 53-2017</i>   | <input type="checkbox"/> |
| 50-2018 | Falcon Petroleum Parters, LLC               | Exception to statewide drilling rules, Heath Formation test well, 11N-28E: 22, 1,594' FNL, 2,030' FEL. Apply for permanent spacing within 90 days of successful completion. Default docket requested.   |                  |  | <input type="checkbox"/> |
| 21-2018 | Montana Land & Exploration, Inc.            | Temporary spacing unit, Upper Bowes Formation test well, 34N-21E-5: SWSWNE, SESENW, NENESW, NWNWSE. Well to be located approximately 170' FSL, 77' FWL of SWNE in Section 5.  | <b>Continued</b> | <i>Approximate location 2470 FNL, 2563 FEL in Section 33<br/><br/>Application continued, email received 5/30/18 &amp; 7/11/18</i>          | <input type="checkbox"/> |
| 51-2018 | Ballantyne Ventures LLC                     | Show Cause: failure to pay administrative fees assessed for delinquent reporting.   | <b>Dismissed</b> | <i>Fine received: 7/23/18</i>  | <input type="checkbox"/> |
| 52-2018 | Bensun Energy, LLC                          | Show Cause: 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.  |                  |  | <input type="checkbox"/> |
| 53-2018 | Hawley Oil Company                          | Show Cause: failure to file production reports and pay administrative fees.   |                  |  | <input type="checkbox"/> |
| 54-2018 | Nine Point Energy, LLC                      | Show Cause: failure to pay administrative fees assessed for delinquent reporting.   | <b>Dismissed</b> | <i>Fine received: 7/27/18</i>  | <input type="checkbox"/> |
| 55-2018 | Scout Energy Management LLC                 | Show Cause: failure to file production reports and pay administrative fees.   | <b>Dismissed</b> | <i>Base fine received 7/10/18 (not doubled per policy). Reports were also submitted after the deadline. Doubled fine received 7/27/18.</i> | <input type="checkbox"/> |
| 56-2018 | White Rock Oil & Gas, LLC                   | Show Cause: failure to file production reports and pay administrative fees.   | <b>Dismissed</b> | <i>Reports and fine received: 7/16/18</i>  | <input type="checkbox"/> |
| 60-2017 | Black Gold Energy Resource Development, LLC | Show Cause: why its plugging and reclamation bond should not be forfeited for failure to begin to plug and abandon its Indian Mound 1 SWD well located in the NE¼SW¼SW¼ of Section 15, T23N, R55E, Richland County, Montana as required by Board Order 45-2017, in accordance with § 82-11-123(5), MCA. |                  |  | <input type="checkbox"/> |
| 77-2017 | Hinto Energy, LLC                           | Show Cause: failure to file production reports and pay administrative fees.   |                  |  | <input type="checkbox"/> |

# **GAS FLARING**

**August 8, 2018**

**EXHIBIT 6**

| Company     | Wells<br>Flaring over<br>100 | Wells<br>Flaring over<br>100 w/o<br>Exception | Current<br>Exceptions<br>(over 100) | Exception<br>Requests | Wells over<br>100<br>Hooked to<br>Pipeline |
|-------------|------------------------------|---|-------------------------------------|-----------------------|--|
| Continental | 1                            | 1   | 0                                   | 1                     | 1  |
| Petro-Hunt  | 3                            | 0   | 3                                   | 0                     | 0  |
| Totals      | 4                            | 1   | 3                                   | 1                     | 1  |

# Flaring Requests

## *Summary*

There are 4 wells flaring over 100 MCFG per day based on current production numbers.

3 of the 4 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There is one exception requested at this time.

## *Continental Resources*

### **Tower 1-4H – API #25-083-22954, 26N-53E-9**

1. Flaring 105 MCF/D. First exception request.
2. Completed: 2/2013.
3. Estimated gas reserves: 234 MMCF.
4. Proximity to market: Connected.
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 7.5 MCF/D.
7. Justification to flare: Fire took out treater, separator, and building to the well. Waiting on Kinder Morgan to install new gas meter. Once meter installed, resume selling gas.

# 2019 CALENDAR

## Proposed Meeting Schedule

January

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    | 1  | 2  | 3  | 4  | 5  |
| 6  | 7  | 8  | 9  | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 |    |    |

February

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    |    |    | 1  | 2  |
| 3  | 4  | 5  | 6  | 7  | 8  | 9  |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 |    |    |

March

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    |    |    | 1  | 2  |
| 3  | 4  | 5  | 6  | 7  | 8  | 9  |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 |    |    |    |    |    |    |

April

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    | 1  | 2  | 3  | 4  | 5  | 6  |
| 7  | 8  | 9  | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 |    |    |    |    |

May

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    | 1  | 2  | 3  | 4  |
| 5  | 6  | 7  | 8  | 9  | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 |    |

June

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    |    |    |    | 1  |
| 2  | 3  | 4  | 5  | 6  | 7  | 8  |
| 9  | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 |    |    |    |    |    |    |

July

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    | 1  | 2  | 3  | 4  | 5  | 6  |
| 7  | 8  | 9  | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | 31 |    |    |    |

August

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    |    | 1  | 2  | 3  |
| 4  | 5  | 6  | 7  | 8  | 9  | 10 |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 31 |

September

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
| 1  | 2  | 3  | 4  | 5  | 6  | 7  |
| 8  | 9  | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 |    |    |    |    |    |

October

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    | 1  | 2  | 3  | 4  | 5  |
| 6  | 7  | 8  | 9  | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 |    |    |

November

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    |    |    |    |    | 1  | 2  |
| 3  | 4  | 5  | 6  | 7  | 8  | 9  |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |

December

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
| 1  | 2  | 3  | 4  | 5  | 6  | 7  |
| 8  | 9  | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 |    |    |    |    |



Filing Deadline



Meeting / Hearing



Holiday

GWPC: UIC Conference

Annual Forum

IOGCC: Annual Business Meeting

Annual Conference

March 17<sup>th</sup> - 20<sup>th</sup>

Unknown

Unknown

Unknown