

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 5 AND 8, T28N-R59E, ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE KATIE ROSE 5-8 #1H WELL.

ORDER 48-2018

Docket No. 57-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 47-2010. Applicant has completed the Katie Rose 5-8 #1H as a producing well.
3. 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 all of Sections 5 and 8, T28N-R59E, Roosevelt County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Katie Rose 5-8 #1H well.

BOARD ORDER NO. 48-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 5 AND 8, T28N-R59E, ROOSEVELT 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 KATIE ROSE 5-8 #1H WELL.

ORDER 49-2018

Docket No. 58-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 48-2018.
3. At the time of hearing, the request to authorize recovery of non-consent penalties was withdrawn.
4. 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 § 82-11-202, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all interests in the permanent spacing unit comprised of all of Sections 5 and 8, T28N-R59E, Roosevelt County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

BOARD ORDER NO. 49-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 4 AND 9, T28N-R59E, ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE DANIELLE 4-9 #1H WELL.

ORDER 50-2018

Docket No. 59-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 46-2010. Applicant has completed the Danielle 4-9 #1H as a producing well.
3. 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 all of Sections 4 and 9, T28N-R59E, Roosevelt County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Danielle 4-9 #1H well.

BOARD ORDER NO. 50-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 4 AND 9, T28N-R59E, ROOSEVELT 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 DANIELLE 4-9 #1H WELL.

ORDER 51-2018

Docket No. 60-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 50-2018. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
3. 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 § 82-11-202, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all interests in the permanent spacing unit comprised of all of Sections 4 and 9, T28N-R59E, Roosevelt County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with § 82-11-202(2), MCA, with respect to the Danielle 4-9 #1H well.

BOARD ORDER NO. 51-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 6 AND 7, T25N-R59E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE RKT CARDA 7-6 #1H WELL.

ORDER 52-2018

Docket No. 61-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 193-2014. Applicant has completed the RKT Carda 7-6 #1H as a producing well.
3. 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 all of Sections 6 and 7, T25N-R59E, Richland County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the RKT Carda 7-6 #1H well.

BOARD ORDER NO. 52-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 6 AND 7, T25N-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 RKT CARDA 7-6 #1H WELL.

ORDER 53-2018

Docket No. 62-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 52-2018. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
3. 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 § 82-11-202, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all interests in the permanent spacing unit comprised of all of Sections 6 and 7, T25N-R59E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with § 82-11-202(2), MCA, with respect to the RKT Carda 7-6 #1H well.

BOARD ORDER NO. 53-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 17 AND 20, T25N-R59E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE MAYSON PHOENIX 17-20 #1H WELL.

ORDER 54-2018

Docket No. 63-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 363-2011. Applicant has completed the Mayson Phoenix 17-20 #1H as a producing well.
3. 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 all of Sections 17 and 20, T25N-R59E, Richland County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Mayson Phoenix 17-20 #1H well.

BOARD ORDER NO. 54-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 17 AND 20, T25N-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 MAYSON PHOENIX 17-20 #1H WELL.

ORDER 55-2018

Docket No. 64-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 54-2018. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
3. 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 § 82-11-202, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all interests in the permanent spacing unit comprised of all of Sections 17 and 20, T25N-R59E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with § 82-11-202(2), MCA, with respect to the Mayson Phoenix 17-20 #1H well.

BOARD ORDER NO. 55-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DRILL  
UP TO FOUR ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS  
FORMATION WELLS AT ANY LOCATION NOT CLOSER THAN 200'  
(HEEL/TOE SETBACK)/500' (LATERAL SETBACK) WITHIN THE  
PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 4  
AND 9, T25N-R59E, RICHLAND COUNTY, MONTANA.

ORDER 56-2018

Docket No. 65-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 lands described in the caption were designated a permanent spacing unit for production for the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 32-2018.
3. Evidence presented at the time of the hearing supports the drilling of four additional horizontal Bakken/Three Forks interval wells in Sections 4 and 9, T25N-R59E, Richland County, Montana.
4. 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 Kraken Oil & Gas, LLC is authorized to drill up to four additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 4 and 9, T25N-R59E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

BOARD ORDER NO. 56-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DRILL  
UP TO FOUR ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS  
FORMATION WELLS AT ANY LOCATION NOT CLOSER THAN 200'  
(HEEL/TOE SETBACK)/500' (LATERAL SETBACK) WITHIN THE  
PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 5  
AND 8, T25N-R59E, RICHLAND COUNTY, MONTANA.

ORDER 57-2018

Docket No. 66-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 lands described in the caption were designated a permanent spacing unit for production for the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 34-2018.
3. Evidence presented at the time of the hearing supports the drilling of four additional horizontal Bakken/Three Forks interval wells in Sections 5 and 8, T25N-R59E, Richland County, Montana.
4. 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 Kraken Oil & Gas, LLC is authorized to drill up to four additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 5 and 8, T25N-R59E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

BOARD ORDER NO. 57-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 14 AND 23, T27N-R57E, ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE DELLA 14-23 #1H WELL.

ORDER 58-2018

Docket No. 42-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 lands described in the caption were designated a temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 25-2017. Applicant has completed the Della 14-23 #1H as a producing well.
3. 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 all of Sections 14 and 23, T27N-R57E, Roosevelt County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Della 14-23 #1H well.

BOARD ORDER NO. 58-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 14 AND 23, T27N-R57E, ROOSEVELT 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 DELLA 14-23 #1H WELL.

ORDER 59-2018

Docket No. 43-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 59-2018. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
3. 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 § 82-11-202, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all interests in the permanent spacing unit comprised of all of Sections 14 and 23, T27N-R57E, Roosevelt County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with § 82-11-202(2), MCA, with respect to the Della 14-23 #1H well.

BOARD ORDER NO. 59-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF BEHM ENERGY, INC. TO DESIGNATE  
A PERMANENT SPACING UNIT COMPRISED OF THE SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub> OF  
SECTION 26, T35N-R20E, BLAINE COUNTY, MONTANA, FOR THE  
PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM  
THE SAWTOOTH FORMATION WITH RESPECT TO THE FEDERAL  
1-26-35-20 WELL.

ORDER 60-2018

Docket No. 67-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 lands described in the caption were designated a temporary spacing unit for production from the Sawtooth Formation under ARM 36.22.702. Applicant has completed the Federal 1-26-35-20 as a producing well.
3. 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<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub> of Section 26, T35N-R20E, Blaine County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Sawtooth Formation from the Federal 1-26-35-20 well.

BOARD ORDER NO. 60-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

---

Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

---

Dennis Trudell, Board Member

---

Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF BEHM ENERGY, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF THE SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub> OF SECTION 26, T35N-R20E, BLAINE COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE SAWTOOTH 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 FEDERAL 1-26-35-20 WELL.

ORDER 61-2018

Docket No. 68-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 60-2018. The applicant has been unable to acquire voluntary pooling of all interests within the spacing unit.
3. 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 § 82-11-202, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all interests in the permanent spacing unit comprised of the SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub> of Section 26, T35N-R20E, Blaine County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Sawtooth Formation.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with § 82-11-202(2), MCA, with respect to the Federal 1-26-35-20 well.

BOARD ORDER NO. 61-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> OF SECTION 5, T34N-R21E, BLAINE COUNTY, MONTANA, TO DRILL AN UPPER BOWES FORMATION OIL AND GAS TEST 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 62-2018

Docket No. 21-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> of Section 5, T34N-R21E, Blaine County, Montana, is designated a temporary spacing unit to drill an Upper Bowes Formation oil and gas test anywhere within said temporary spacing unit but not closer than 330' setback to the exterior boundaries thereof.

BOARD ORDER NO. 62-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF ALTA VISTA OIL CORPORATION TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTION 28, T9S-R41E, BIG HORN COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE MOWRY FORMATION WITH RESPECT TO THE SLAUGHTERVILLE #1H WELL.

ORDER 63-2018

Docket No. 69-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 lands described in the caption were designated a temporary spacing unit for production from the Mowry Formation under ARM 36.22.702. Applicant has completed the Slaughterville #1H as a producing well.
3. 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 all of Section 28, T9S-R41E, Big Horn County, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Mowry Formation from the Slaughterville #1H well.

BOARD ORDER NO. 63-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

\_\_\_\_\_  
Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF ALTA VISTA OIL CORPORATION TO  
POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT  
COMPRISED OF ALL OF SECTION 28, T9S-R41E, BIG HORN  
COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND  
ASSOCIATED NATURAL GAS FROM THE MOWRY FORMATION  
WITH RESPECT TO THE SLAUGHTERVILLE #1H WELL.

ORDER 64-2018

Docket No. 70-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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. Applicant is an interest owner and operator in the spacing unit identified in the caption as established by Montana Board of Oil and Gas Conservation Order 63-2018.
3. 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 § 82-11-202, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that all interests in the permanent spacing unit comprised of all of Section 28, T9S-R41E, Big Horn County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Mowry Formation.

BOARD ORDER NO. 64-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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  
SW $\frac{1}{4}$ SW $\frac{1}{4}$  OF SECTION 5, THE SE $\frac{1}{4}$  OF SECTION 6, THE NE $\frac{1}{4}$ ,  
N $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$  OF SECTION 7, THE W $\frac{1}{2}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$  OF  
SECTION 8, AND THE N $\frac{1}{2}$  OF SECTION 17, T10N-R58E, FALLON  
COUNTY, MONTANA, TO DRILL A HORIZONTAL MADISON  
GROUP WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT  
CLOSER THAN 660' TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 65-2018

Docket No. 74-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 5, the SE $\frac{1}{4}$  of Section 6, the NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 7, the W $\frac{1}{2}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 8, and the N $\frac{1}{2}$  of Section 17, T10N-R58E, Fallon County, Montana, is designated a temporary spacing unit to drill a horizontal Madison Group well anywhere within said temporary spacing unit but not closer than 660' setback to the exterior boundaries thereof.

BOARD ORDER NO. 65-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO VACATE ALL WELL SPACING AND SETBACK REQUIREMENTS AS TO THE MISSION CANYON FORMATION FOR LANDS LOCATED WITHIN APPLICANT'S PENNEL UNIT AREA IN FALLON COUNTY, MONTANA, WITH THE EXCEPTION OF A 660' SETBACK FROM THE UNIT BOUNDARIES, AS AN EXCEPTION TO A.R.M. 36.22.703. THE PENNEL UNIT AREA IN FALLON COUNTY, MONTANA IS DESCRIBED AS FOLLOWS:

ORDER 66-2018

T7N-R59E

SECTION 1: LOTS 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (ALL)  
SECTION 2: LOTS 1, 2, SE $\frac{1}{4}$ NE $\frac{1}{4}$   
SECTION 12: NE $\frac{1}{4}$ , SE $\frac{1}{4}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$

T8N-R59E

SECTION 1: W $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$   
SECTION 2: S $\frac{1}{2}$   
SECTION 3: LOT 4, S $\frac{1}{2}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$   
SECTION 4: LOTS 1, 2, 3, 4, S $\frac{1}{2}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$   
SECTION 5: LOTS 1, 2, 3, S $\frac{1}{2}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$   
SECTION 9: N $\frac{1}{2}$ , SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$   
SECTION 10: ALL  
SECTION 11: ALL  
SECTION 12: ALL  
SECTION 13: ALL  
SECTION 14: ALL  
SECTION 15: ALL  
SECTION 16: NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$   
SECTION 22: E $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$ ,  
NW $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$   
SECTION 23: ALL  
SECTION 24: ALL  
SECTION 25: ALL  
SECTION 26: N $\frac{1}{2}$ , SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$   
SECTION 27: NE $\frac{1}{4}$ NE $\frac{1}{4}$   
SECTION 35: N $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NE $\frac{1}{4}$   
SECTION 36: N $\frac{1}{2}$ , SE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$

T7N-R60E

SECTION 4: LOTS 3, 4, SW $\frac{1}{4}$   
SECTION 5: LOTS 1, 2, 3, 4, S $\frac{1}{2}$   
SECTION 6: LOTS 1, 2, 3, 4, 5, 6, E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$   
(ALL)  
SECTION 7: LOTS 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (ALL)  
SECTION 8: ALL  
SECTION 9: W $\frac{1}{2}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$   
SECTION 15: W $\frac{1}{2}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ , SE $\frac{1}{4}$   
SECTION 16: ALL  
SECTION 17: ALL  
SECTION 18: LOTS 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$   
SECTION 19: LOTS 1, 2, 3, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$   
SECTION 20: ALL  
SECTION 21: ALL  
SECTION 22: ALL  
SECTION 23: W $\frac{1}{2}$ NW $\frac{1}{4}$   
SECTION 26: ALL  
SECTION 27: ALL  
SECTION 28: ALL  
SECTION 29: ALL  
SECTION 30: NE $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$ ,  
NE $\frac{1}{4}$

T8N-R60E

SECTION 7: LOTS 1, 2, 3, 4, SE $\frac{1}{4}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ ,  
W $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$   
SECTION 17: W $\frac{1}{2}$ W $\frac{1}{2}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ ,  
W $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$   
SECTION 18: LOTS 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (ALL)  
SECTION 19: LOTS 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (ALL)  
SECTION 20: ALL  
SECTION 21: W $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$   
SECTION 28: W $\frac{1}{2}$   
SECTION 29: ALL  
SECTION 30: LOTS 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (ALL)  
SECTION 31: LOTS 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (ALL)  
SECTION 32: ALL  
SECTION 33: ALL

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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 Peggy Ames Nerud 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. Applicant requested all previously established temporary spacing units for the Mission Canyon Formation within the described lands be vacated and the requirement to come back for permanent spacing be waived.
3. 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 all well spacing and setback requirements as to the Mission Canyon Formation for the lands captioned above, located within applicant's Pennel Unit Area in Fallon County, Montana, are vacated, except no well may be closer than 660' setback to the exterior boundaries thereof.

IT IS FURTHER ORDERED that all previously established temporary spacing units for the Mission Canyon Formation within the described lands be vacated and the requirement for an order for permanent spacing be waived.

BOARD ORDER NO. 66-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO CONVERT THE UNIT 41-28 WELL (API #25-021-21194) IN THE NE¼-NE¼ OF SECTION 28, T14N-R55E, DAWSON COUNTY, MONTANA (GAS CITY FIELD) TO A SALTWATER INJECTION WELL IN THE MISSION CANYON AND LODGEPOLE FORMATIONS AT A DEPTH OF APPROXIMATELY 7245-7856 FT. STAFF NOTES THIS APPLICATION IS ELIGIBLE FOR PLACEMENT ON THE DEFAULT DOCKET.

ORDER 67-2018

Docket No. 76-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. 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 Denbury Onshore, LLC is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 67-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Peggy Ames Nerud, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE BOARD'S OWN MOTION TO REQUIRE PRONGHORN PETROLEUM JOINT VENTURE TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS INJECTION PERMIT SHOULD NOT BE REVOKED FOR THE HALMANS-FEDERAL 1-26 IN SECTION 26, T11N-R32E, FALLON COUNTY, MONTANA, FOR FAILURE TO PAY THE INJECTION WELL FEE; AND, FURTHER, WHY THE WELL SHOULD NOT BE PLUGGED AND WHY PRONGHORN PETROLEUM JOINT VENTURE SHOULD NOT BE SUBJECT TO FURTHER PENALTIES BY THE BOARD.

ORDER 68-2018

Docket No. 77-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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 Peggy Ames Nerud 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. No one appeared on behalf of Pronghorn Petroleum Joint Venture.
3. 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.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Pronghorn Petroleum Joint Venture's injection permit for the Halmans-Federal 1-26 in Section 26, T11N-R32E, Fallon County, Montana is revoked.

IT IS FURTHER ORDERED that Pronghorn Petroleum Joint Venture begin to plug and abandon the Halmans-Federal 1-26 well prior to the December 13, 2018, public hearing. The failure to begin to plug and abandon the well as required by this order may result in forfeiture of the plugging and reclamation bond in its entirety, as permitted by § 82-11-123(5), MCA.

IT IS FURTHER ORDERED that Pronghorn Petroleum Joint Venture is fined \$1,000 for failure to appear at the October 4, 2018, public hearing.

BOARD ORDER NO. 68-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE BOARD'S OWN MOTION TO REQUIRE SHADWELL RESOURCES GROUP, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO REMEDY THE FIELD VIOLATIONS AT THE VELMA SWD 1-10H WELL LOCATED IN THE NW¼NW¼ OF SECTION 10, T23N, R58E, RICHLAND COUNTY, MONTANA.

ORDER 69-2018

Docket No. 78-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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 Peggy Ames Nerud 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. No one appeared on behalf of Shadwell Resources Group, LLC.
3. An inspection performed on September 20, 2018 indicated that all field violations had been remedied.
4. 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.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Shadwell Resources Group, LLC is fined \$1,000 for failure to appear at the October 4, 2018, public hearing.

BOARD ORDER NO. 69-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

\_\_\_\_\_  
Erin Ricci, Administrative Assistant

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

UPON THE BOARD'S OWN MOTION TO REQUIRE WIND RIVER HYDROCARBONS, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD NOT BE FORFEITED FOR FAILURE TO BEGIN TO PLUG AND ABANDON ITS CORNWELL 1-14 WELL LOCATED IN THE NW¼NW¼ OF SECTION 10, T30N, R38E, VALLEY COUNTY, MONTANA.

ORDER 70-2018

Docket No. 79-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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 Peggy Ames Nerud 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. No one appeared on behalf of Wind River Hydrocarbons, Inc.
3. 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.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that the plugging and reclamation bond for Wind River Hydrocarbons, Inc. is hereby forfeited.

BOARD ORDER NO. 70-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

UPON THE BOARD'S OWN MOTION TO REQUIRE BLACK GOLD ENERGY RESOURCE DEVELOPMENT, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, 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 NE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub> OF SECTION 15, T23N-R55E, RICHLAND COUNTY, MONTANA AS REQUIRED BY BOARD ORDER 45-2017, IN ACCORDANCE WITH § 82-11-123(5), MCA.

ORDER 71-2018

Docket No. 60-2017

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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 Peggy Ames Nerud 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. Chris Blount appeared on behalf of Black Gold Energy Resource Development, LLC (Black Gold).
3. Mr. Blount testified that there has been significant cleanup done at the Indian Mounds 1 SWD well location. Progress was confirmed by a field inspection performed on October 2, 2018.
4. Black Gold had not achieved full compliance as of the time of hearing.
5. 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.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Docket 60-2017 is continued until the December 13, 2018, public hearing.

BOARD ORDER NO. 71-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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

ORDER 72-2018

Docket No. 77-2017

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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 Peggy Ames Nerud 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. No one appeared on behalf of Hinto Energy, LLC.
3. Board staff has not received any information from the bankruptcy court.
4. 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.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Hinto Energy, LLC is to appear at the December 13, 2018, public hearing and show cause, if any it has, why its plugging and reclamation bond should not be forfeited for failure to plug its wells in Musselshell County, Montana.

BOARD ORDER NO. 72-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Paul Gatzemeier, Board Member

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Mac McDermott, Board Member

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Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

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Erin Ricci, Administrative Assistant

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, WHICH MAY INCLUDE A PLUGGING AND RECLAMATION BOND INCREASE, SHOULD NOT BE IMPOSED FOR FAILURE TO REMEDY THE FIELD VIOLATIONS AT THE LOUCKS 33-27 WELL LOCATED IN THE NW¼SE¼ OF SECTION 27, T36N-R52E, SHERIDAN COUNTY, MONTANA AS WELL AS ANY OTHER OUTSTANDING FIELD VIOLATIONS.

ORDER 73-2018

Docket No. 81-2018

Report of the Board

The above entitled cause came on regularly for hearing on October 4, 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. Members Peggy Ames Nerud and Paul Gatzemeier were 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).
3. Mr. Benson hired Thomas Hedrick of Classic Welding, LLC. to oversee the cleanup of the field violations. Mr. Hedrick also appeared to testify at the hearing.
4. Mr. Hedrick testified that he had taken and tested three soil samples at the Loucks 33-27 well location and found no salt contamination. Mr. Hedrick also testified that the cleanup of all the field violations were remedied and reported to Board staff on August 30, 2018. The total daily fine on this date was \$13,750.
5. Field inspection on September 26, 2018, reported that previous field violations had been remedied and there was visually no salt contamination.
6. 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.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

BOARD ORDER NO. 73-2018

Order

IT IS THEREFORE ORDERED by the Board that the \$250 fine for each day that the violations at the Loucks 33-27 remain unresolved is to be stopped at the August 30, 2018 date.

IT IS FURTHER ORDERED that Docket 81-2017 is continued until the December 13, 2018, public hearing. Board staff is authorized to dismiss the docket if the total fine of \$13,750 is received and there are no further field violations prior to the December 13, 2018, public hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4<sup>th</sup> day of October, 2018.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Ronald S. Efta, Chairman

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Steven Durrett, Vice-Chairman

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Mac McDermott, Board Member

\_\_\_\_\_  
Dennis Trudell, Board Member

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Corey Welter, Board Member

ATTEST:

\_\_\_\_\_  
Erin Ricci, Administrative Assistant