

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

UPON THE APPLICATION OF ST. CROIX OPERATING, INC. TO
CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE
N½NE¼ OF SECTION 26, T30N-R47E, ROOSEVELT COUNTY,
MONTANA, TO DRILL A NISKU FORMATION WELL ANYWHERE
WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660'
SETBACK TO THE EXTERIOR BOUNDARIES WITH A 50'
TOLERANCE.

ORDER 74-2018

Docket No. 82-2018 / 1-2019 FED

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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. Testimony presented at the hearing indicated the N½NE¼ of Section 26, T30N-47E, Roosevelt County, Montana are tribal minerals, whereas the S½NE¼ of Section 26, T30N-47E are privately owned fee minerals. The Board can only take action related to the fee minerals that would have been included in the spacing unit under A.R.M. 36.22.702.
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 N½NE¼ of Section 26, T30N-R47E, Roosevelt County, Montana, is designated a temporary spacing unit to drill a Nisku Formation well anywhere within said temporary spacing unit at any location but not closer than 660' setback to the exterior boundaries with a 50' tolerance thereof.

BOARD ORDER NO. 74-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 9 AND 16, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE KAI 16-9 #1H WELL.

ORDER 75-2018

Docket No. 83-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 116-2015. Applicant has completed the Kai 16-9 #1H well 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 9 and 16, T26N-R59E, Richland and Roosevelt Counties, Montana, is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Kai 16-9 #1H well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 75-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 9 AND 16, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, 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 KAI 16-9 #1H WELL.

ORDER 76-2018

Docket No. 84-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 75-2018.
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 Sections 9 and 16, T26N-R59E, Richland and Roosevelt Counties, 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 Kai 16-9 #1H well.

BOARD ORDER NO. 76-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 21 AND 28, T26N-R59E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE DAGNEY 21-28 #1H WELL.

ORDER 77-2018

Docket No. 85-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 6-2006. Applicant has completed the Dagney 21-28 #1H well 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 21 and 28, T26N-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 Dagney 21-28 #1H well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 77-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 21 AND 28, T26N-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 DAGNEY 21-28 #1H WELL.

ORDER 78-2018

Docket No. 86-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 77-2018. 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 21 and 28, T26N-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 Dagney 21-28 #1H well.

BOARD ORDER NO. 78-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 8 AND 17, T26N-R59E, RICHLAND COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE ROWIN 17-8 #1H WELL.

ORDER 79-2018

Docket No. 87-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 117-2015. Applicant has completed the Rowin 17-8 #1H well 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 8 and 17, T26N-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 Rowin 17-8 #1H well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 79-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 8 AND 17, T26N-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 ROWIN 17-8 #1H WELL.

ORDER 80-2018

Docket No. 88-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 79-2018. 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 8 and 17, T26N-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 Rowin 17-8 #1H well.

BOARD ORDER NO. 80-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO DESIGNATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 25 AND 26, T27N-R57E, ROOSEVELT COUNTY, MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION WITH RESPECT TO THE JILL 26-25 #1H WELL.

ORDER 81-2018

Docket No. 89-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 142-2015. Applicant has completed the Jill 26-25 #1H well 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 25 and 26, 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 Jill 26-25 #1H well.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 81-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 25 AND 26, 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 JILL 26-25 #1H, JILL 26-25 #2H, JILL 26-25 #3H, JILL 26-25 #4H, AND JILL 26-25 #5H WELLS.

ORDER 82-2018

Docket No. 90-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 81-2018. 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 25 and 26, 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 Jill 26-25 #1H, Jill 26-25 #2H, Jill 26-25 #3H, Jill 26-25 #4H, and Jill 26-25 #5H wells.

BOARD ORDER NO. 82-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE LLC TO
CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE
S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 4, NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$,
NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ OF SECTION 9, T11N-R57E, WIBAUX 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 83-2018

Docket No. 91-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 4, NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ of Section 9, T11N-R57E, Wibaux 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. 83-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE LLC TO
CREATE AN OVERLAPPING TEMPORARY SPACING UNIT
COMPRISED OF THE S½SE¼ OF SECTION 20, W½W½ OF SECTION
28, E½ OF SECTION 29, NE¼ OF SECTION 32, W½NW¼ OF SECTION
33, 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 84-2018

Docket No. 92-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 S½SE¼ of Section 20, W½W½ of Section 28, E½ of Section 29, NE¼ of Section 32, W½NW¼ of Section 33, T10N-R58E, Fallon County, Montana, is designated an overlapping 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. 84-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE LLC TO
CREATE AN OVERLAPPING TEMPORARY SPACING UNIT
COMPRISED OF THE SW¹/₄ OF SECTION 28, SE¹/₄ OF SECTION 29,
E¹/₂NE¹/₄, NW¹/₄NE¹/₄ OF SECTION 32, W¹/₂, NW¹/₄NE¹/₄, S¹/₂NE¹/₄, SE¹/₄ OF
SECTION 33, 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 85-2018

Docket No. 93-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 SW¹/₄ of Section 28, SE¹/₄ of Section 29, E¹/₂NE¹/₄, NW¹/₄NE¹/₄ of Section 32, W¹/₂, NW¹/₄NE¹/₄, S¹/₂NE¹/₄, SE¹/₄ of Section 33, T10N-R58E, Fallon County, Montana, is designated an overlapping 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. 85-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE LLC TO
CREATE AN OVERLAPPING TEMPORARY SPACING UNIT
COMPRISED OF THE W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ OF SECTION 20 AND THE
E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ OF SECTION 29, 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 86-2018

Docket No. 94-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 20 and the E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 29, T10N-R58E, Fallon County, Montana, is designated an overlapping 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. 86-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF HYDRA MT, LLC, TO DRILL THE KITTLESON JR #5-2 SWD WELL IN THE NW¼NE¼ OF SECTION 5, T25N-R59E, RICHLAND COUNTY, MONTANA (CATTAILS FIELD) AS A SALTWATER INJECTION WELL IN THE DAKOTA FORMATION AT A DEPTH OF APPROXIMATELY 5,023-5,870 FT. AN AQUIFER EXEMPTION IS BEING REQUESTED AS THE INJECTION ZONE CONTAINS WATER WITH LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 87-2018

Docket No. 95-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 Hydra MT, LLC is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 87-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF HYDRA MT, LLC, TO DRILL THE HOOK 32-1 SWD WELL IN THE SW¹/₄SE¹/₄ OF SECTION 32, T26N-R59E, RICHLAND COUNTY, MONTANA (WILDCAT) AS A SALTWATER INJECTION WELL IN THE DAKOTA FORMATION AT A DEPTH OF APPROXIMATELY 5,028-5,875 FT. AN AQUIFER EXEMPTION IS BEING REQUESTED AS THE INJECTION ZONE CONTAINS WATER WITH LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 88-2018

Docket No. 96-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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 Hydra MT, LLC is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 88-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF DENBURY ONSHORE, LLC TO
CREATE AN ENHANCED RECOVERY UNIT FOR OIL AND GAS
WITHIN THE RED RIVER FORMATION UNDERLYING CERTAIN
LANDS IN FALLON COUNTY, MONTANA, TO BE KNOWN AS THE
MYSTERY CREEK (RED RIVER) UNIT AREA. THE REQUESTED
UNIT AREA IN FALLON COUNTY, MONTANA IS DESCRIBED AS
FOLLOWS:

CORRECTED
ORDER 89-2018

T9N-R58E

SECTION 2: LOTS 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$,
S $\frac{1}{2}$ (ALL)
SECTION 10: S $\frac{1}{2}$
SECTION 11: ALL
SECTION 12: W $\frac{1}{2}$ W $\frac{1}{2}$
SECTION 13: W $\frac{1}{2}$ W $\frac{1}{2}$
SECTION 14: ALL
SECTION 15: E $\frac{1}{2}$
SECTION 22: NE $\frac{1}{4}$
SECTION 23: ALL
SECTION 24: ALL
SECTION 25: ALL
SECTION 26: ALL
SECTION 35: ALL
SECTION 36: ALL

T9N-R59E

SECTION 30: LOTS 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$,
E $\frac{1}{2}$ (ALL)
SECTION 31: ALL

CONTAINING 8,158.28 ACRES, MORE OR LESS.

APPLICANT FURTHER REQUESTS THAT AFTER HEARING THE
MATTER THE BOARD ENTER ITS ORDER PROVIDING FOR UNIT
OPERATION OF THE LANDS AND FORMATION THEREUNDER AS
DESCRIBED ABOVE, APPROVING THE UNIT AGREEMENT AND
UNIT OPERATING AGREEMENT AS CONSTITUTING A PLAN OF
UNIT OPERATIONS THAT IS JUST AND REASONABLE, VACATING
ALL EXISTING SPACING UNIT ORDERS AS TO THE UNIT AREA
AND UNITIZED FORMATION (EXCEPT THAT NO WELL SHALL BE
LOCATED CLOSER THAN 660' TO THE UNIT BOUNDARIES); AND
DECLARING THE ORDER WILL BECOME EFFECTIVE WITHIN THE
TERMS OF SECTION 82-11-207, M.C.A. UPON APPLICANT
PRESENTING PROOF OF THE REQUISITE APPROVAL BY THE
COST-BEARING AND COST-FREE OWNERS OF INTERESTS
THEREIN.

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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. Don Lee, attorney, appeared on behalf of Chaco Oil Company and Kirkwood Oil & Gas LLC. Mr. Lee stated that neither company opposed the unitization but that he had questions for Denbury and comments related to his clients' interests in the proposed unit.

3. More than 60 days prior to filing its application herein, applicant gave due notification of its intention to make such application by mailing notice to that effect to all persons then known to applicant as owning an interest in the oil and gas within the proposed unit area.

4. The proposed unit area is composed of the Red River Formation underlying the following described lands in Fallon County, Montana:

T9N-R58E

SECTION 2: LOTS 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (ALL)

SECTION 10: S $\frac{1}{2}$

SECTION 11: ALL

SECTION 12: W $\frac{1}{2}$ W $\frac{1}{2}$

SECTION 13: W $\frac{1}{2}$ W $\frac{1}{2}$

SECTION 14: ALL

SECTION 15: E $\frac{1}{2}$

SECTION 22: NE $\frac{1}{4}$

SECTION 23: ALL

SECTION 24: ALL

SECTION 25: ALL

SECTION 26: ALL

SECTION 35: ALL

SECTION 36: ALL

T9N-R59E

SECTION 30: LOTS 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (ALL)

SECTION 31: ALL

CONTAINING 8,158.28 ACRES, MORE OR LESS.

5. The waterflood project proposed is that of injecting water into the Red River Formation underlying said unit area.

6. The primary energy of the reservoir has been substantially depleted and secondary recovery by water injection is feasible and reasonably necessary to increase the ultimate recovery of oil and gas. The inauguration and conduct of the waterflood injection program such as that proposed by application will result in the recovery of a substantial amount of additional oil which would otherwise remain in place.

CORRECTED BOARD ORDER NO. 89-2018

7. There is a need for the operation as a unit of the pool underlying the above described lands and it is necessary that the interests of all owners in the oil and gas therein be unitized.

8. The evidence presented by applicant indicated that it was not possible to obtain a wholly voluntary unitization of interests in said reservoir and that the issuance of an order for the unit operation of that part of the pool within the delineated area is necessary under the provisions of Sections 82-11-204, MCA et seq.

9. The value of the estimated additional recovery of oil less royalties exceeds the estimated additional cost incident to conducting such operations; the full areal extent of such pool has been reasonably defined by drilling operations; the plan allocates to each tract in the unit area its fair share of the oil and gas produced from the unit area and not required or consumed in the conduct of the operation of the unit area or unavoidably lost. The Board has considered the relative value that each share of production bears to the relative value of all of the separately owned tracts in the unit area exclusive of physical equipment utilized in unit operations.

10. The unit agreement has been approved in writing by more than the requisite number of owners and persons and by more than the requisite percentage of interests in the unit area than the number or the amount specified in Section 82-11-207, MCA.

11. 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.

Conclusion of Law

The Board concludes that the applicant demonstrated the requirements of 82-11 Part 2 have been met.

Order

IT IS THEREFORE ORDERED by the Board that the application of Denbury Onshore, LLC for an order providing for the operation as a unit of the Red River Formation underlying the lands described in paragraph 4 of the Findings of Fact is approved. The unit agreement and unit operating agreement placed in evidence by Denbury Onshore, LLC shall comprise the plan of operations for such unit. Said unit shall be named the Mystery Creek (Red River) Unit.

IT IS FURTHER ORDERED that the application may drill or utilize additional wells as necessary to operate its waterflood project. The existing spacing orders governing Red River Formation wells within the boundaries of the unit are waived but no well may be drilled closer than 660 feet to the exterior boundaries of said unit. Drilling permits for locations within the unit boundaries shall be subject to administrative authorization by the Board's staff without additional public notice.

IT IS FURTHER ORDERED that this order is effective December 13, 2018.

CORRECTED BOARD ORDER NO. 89-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE PRONGHORN PETROLEUM JOINT VENTURE 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 HALMANS-FEDERAL 1-26 WELL (API # 25-025-21257) LOCATED IN THE NE $\frac{1}{4}$ SW $\frac{1}{4}$ OF SECTION 26, T9N-R59E, FALLON COUNTY, MONTANA AS REQUIRED BY BOARD ORDER 68-2018, IN ACCORDANCE WITH § 82-11-123(5), MCA.

ORDER 90-2018

Docket No. 100-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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. 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 the plugging and reclamation bond for Pronghorn Petroleum Joint Venture is hereby forfeited.

BOARD ORDER NO. 90-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE HINTO ENERGY, 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 WELLS IN MUSSELSHELL COUNTY, MONTANA AS REQUIRED BY BOARD ORDER 72-2018, IN ACCORDANCE WITH § 82-11-123(5), MCA.

ORDER 91-2018

Docket No. 101-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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. No one appeared on behalf of Hinto Energy, LLC.
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 Hinto Energy, LLC is hereby forfeited.

BOARD ORDER NO. 91-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE 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 (API # 25-083-21377) WELL LOCATED IN THE NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ OF SECTION 15, T23N-R55E, RICHLAND COUNTY, MONTANA AS REQUIRED BY BOARD ORDER 45-2017, IN ACCORDANCE WITH § 82-11-123(5), MCA.

ORDER 92-2018

Docket No. 60-2017

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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. Chris Blount appeared on behalf of Black Gold Energy Resource Development, LLC (Black Gold).
3. Black Gold has not achieved full compliance as of the time of hearing. Mr. Blount failed to complete the work stated in his remediation plan from October 2016 that included all contaminated material would be removed from location, the dike containment area would be rebuilt, and the excavated area would be re-seeded.
4. There are scattered un-diked salt water tanks at the wellsite, which pose a threat.
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 Black Gold must empty all scattered tanks and dispose of saltwater/content and repair the injection tank battery berm prior to the February 14, 2019, public hearing.

IT IS FURTHER ORDERED by the Board that Docket 60-2017 is continued until the February 14, 2019, public hearing.

BOARD ORDER NO. 92-2018

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE BENSUN ENERGY, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES, 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 (API # 25-091-21676) WELL LOCATED IN THE NW¼SE¼ OF SECTION 27, T36N-R52E, SHERIDAN COUNTY, MONTANA AS WELL AS ANY OTHER OUTSTANDING FIELD VIOLATIONS.

ORDER 93-2018

Docket No. 81-2018

Report of the Board

The above entitled cause came on regularly for hearing on December 13, 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. Lance Benson appeared on behalf of Bensun Energy, LLC (Bensun).
3. Prior to the October Board hearing, Bensun corrected the field violations and the daily fine of \$250 was suspended. The total amount of the fine accrued to \$13,750. Board Order 73-2018 issued on October 4, 2018, continued Docket 81-2018 to the December hearing and directed that the docket be dismissed if the fine was received and there were no further violations of Board rules.
4. Bensun failed to pay the fine prior to this hearing.
5. An inspection performed after the October hearing discovered a leaking waste container holding contaminated soil from the cleanup on the Loucks 33-27 wellsite. Bensun was notified of the new violation on October 15, 2018.
6. The materials that were in the waste container at the Loucks 33-27 wellsite were found to have been dumped on the well location during an October 18, 2018, inspection. Bensun and the container owner were contacted on that day.
7. The container contents were removed from the location prior to an October 22, 2018, inspection. The inspector did note that some debris and minor staining were still present on the location.
8. A report was received that some of the solid waste from the Loucks 33-27 wellsite may have been dumped along Highway 5 east of the town of Redstone. The presence of contaminated dirt in the road ditch was confirmed by the inspector on October 24, 2018. Bensun was notified of the possible violation of ARM 36.22.1105 on October 26, 2018. The alleged dumping was also reported to the Montana Department of Environmental Quality.

BOARD ORDER NO. 93-2018

9. In a letter to Bensun dated November 27, 2018, the Montana Department of Environmental Quality established a deadline for the removal of material from the highway right of way.

10. An inspection performed on December 7, 2018, found the Loucks 33-27 location covered by snow so no evaluation of remaining cleanup could be made. It was also determined on that day that the waste materials were still present in the Highway 5 right of way.

11. 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 Bensun's wells are to be shut-in for illegal production per ARM 36.22.1245 until the \$13,750 fine is received.

IT IS FURTHER ORDERED that the off-location salt contamination at the Loucks 1 SWD and the staining/contamination at the Loucks 33-27 should be properly disposed of by May 9, 2019.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of December, 2018.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Ronald S. Efta, Chairman

Steven Durrett, Vice-Chairman

Paul Gatzemeier, Board Member

Mac McDermott, Board Member

Dennis Trudell, Board Member

Corey Welter, Board Member

ATTEST:

Jennifer Breton, Program Specialist