

STATE OF MONTANA  
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION  
BOARD OF OIL AND GAS CONSERVATION  
BILLINGS, MONTANA  
April 10 & 11, 2019

CONSERVATION AND PREVENTION )  
OF WASTE OF OIL AND GAS )

NOTICE OF PUBLIC HEARING

The Board of Oil and Gas Conservation of the State of Montana will hold its business meeting on Wednesday, April 10, 2019, at 2:00 p.m. in the hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. The agenda for that meeting is as follows:

1. Call to order
2. Approval of minutes of February 13, 2019, business meeting
3. Public comment on agenda and non-agenda items
4. Financial report
5. Plugging and reclamation program update
6. Bond summary & incident report
7. Docket summary
8. Gas flaring exceptions
9. Inactive well review
10. Staff reports
11. Other business

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below at **9:00 a.m.** on Thursday, April 11, 2019, in the hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. Interested persons have the opportunity to be heard for each docket. For more information or to request accommodation for a disability, please contact Erin Ricci at (406) 444-6731 or Jennifer Breton at (406) 656-0040, as soon as possible before the scheduled hearing.

Docket 14-2019

**APPLICANT: KRAKEN OIL & GAS LLC – RICHLAND COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to amend Board Order 380-2011 to authorize the drilling of up to two horizontal Bakken/Three Forks Formation wells from a common pad anywhere within the temporary spacing unit comprised of all of Sections 12 and 13, T25N-R59E, Richland County, Montana, but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well commence within one year of the date of the order issued by the Board. Applicant will apply for permanent spacing within 90 days of successful well completion.

Docket 15-2019

**APPLICANT: KRAKEN OIL & GAS LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to amend Board Orders 16-2011 and 68-2017 to authorize the drilling of up to four horizontal Bakken/Three Forks Formation wells from a common pad anywhere within the temporary spacing unit comprised of all of Sections 15 and 22, T28N-R58E, Roosevelt County, Montana, but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof, provided that operations for the drilling of said well commence within one year of the date of the order issued by the Board. Applicant will apply for permanent spacing within 90 days of successful well completion.

Docket 16-2019

**APPLICANT: KRAKEN OIL & GAS LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to authorize the drilling of up to three additional horizontal Bakken/Three Forks Formation wells anywhere within the permanent spacing unit comprised of all of Sections 13 and 24, T27N-R57E, Roosevelt County, Montana, but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof. Applicant requests placement on the Default Docket.

Docket 17-2019

**APPLICANT: KRAKEN OIL & GAS LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to pool all interests in the permanent spacing unit comprised of all of Sections 13 and 24, T28N-R58E, 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 Gehringer 24-13 #2H, Gehringer 24-13 #3H, and Gehringer 24-13 #4H wells.

Docket 18-2019

**APPLICANT: KRAKEN OIL & GAS LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to designate a permanent spacing unit comprised of all of Sections 13 and 24, T28N-R58E and all of Sections 18 and 19, T28N-R59E, Roosevelt County, Montana, for the production of oil and associated natural gas from the Bakken/Three Forks Formation with respect to the Gehringer 24-13 LE #1H well.

Docket 19-2019

**APPLICANT: KRAKEN OIL & GAS LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **Kraken Oil & Gas LLC** to pool all interests in the permanent spacing unit comprised of all of Sections 13 and 24, T28N-R58E and all of Sections 18 and 19, 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 Gehringer 24-13 LE #1H well.

Docket 20-2019

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

Upon the application of **Briscoe Petroleum, LLC** to create a temporary spacing unit comprised of the W $\frac{1}{2}$ NW $\frac{1}{4}$  of Section 28, E $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 29, T1N-R34E, Big Horn County, Montana, to drill an Amsden Formation test well at any location not closer than 330' from the exterior boundaries thereof, as an exception to A.R.M. 36.22.702.

Docket 21-2019

**APPLICANT: ALTA VISTA OIL CORPORATION – ROSEBUD COUNTY, MONTANA**

Upon the application of **Alta Vista Oil Corporation** to designate a permanent spacing unit comprised of all of Section 34, T11N-R32E, Rosebud County, Montana, for the production of oil and associated natural gas from the Heath Formation with respect to the Spider Monkey #1H well.

Docket 22-2019

**APPLICANT: ALTA VISTA OIL CORPORATION – ROSEBUD COUNTY, MONTANA**

Upon the application of **Alta Vista Oil Corporation** to pool all interests in the permanent spacing unit comprised of all of Section 34, T11N-R32E, Rosebud County, Montana, for the production of oil and associated natural gas from the Heath Formation with respect to the Spider Monkey #1H well.

Docket 23-2019

**APPLICANT: ALTA VISTA OIL CORPORATION – BIG HORN COUNTY, MONTANA**

Upon the application of **Alta Vista Oil Corporation** to designate a permanent spacing unit comprised of all of Section 21, T9S-R41E, Big Horn County, Montana, for the production of oil and associated natural gas from the Mowry Formation with respect to the Doc Holiday #1-H well.

Docket 24-2019

**APPLICANT: ALTA VISTA OIL CORPORATION – BIG HORN COUNTY, MONTANA**

Upon the application of **Alta Vista Oil Corporation** to pool all interests in the permanent spacing unit comprised of all of Section 21, T9S-R41E, Big Horn County, Montana, for the production of oil and associated natural gas from the Mowry Formation with respect to the Doc Holiday #1-H well.

Docket 25-2019

**APPLICANT: POPLAR RESOURCES, LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **Poplar Resources, LLC** to designate a permanent spacing unit comprised of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 32, T29N-R51E, Roosevelt County, Montana, for the production of oil and associated natural gas from the Tyler Formation with respect to the EPU 204 well and authorizing applicant to produce the EPU 204 well at a location 817' FSL and 2450' FEL in said Section 32 as an exception to A.R.M. 36.22.702.

Docket 26-2019

**APPLICANT: TRUE OIL, LLC – TOOLE COUNTY, MONTANA**

Upon the application of **True Oil, LLC** to create a temporary spacing unit comprised of the W $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$  and the E $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 8, T36N-R3W, Toole County, Montana, to drill a test well within said spacing unit not closer than 330' to the exterior boundaries thereof, as an exception to A.R.M. 36.22.702(1, 2, & 7).

Docket 27-2019

**APPLICANT: TRUE OIL, LLC – TOOLE COUNTY, MONTANA**

Upon the application of **True Oil, LLC** to create a temporary spacing unit comprised of the W $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 3 and the E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 4, T36N-R3W, Toole County, Montana, to drill a test well within said spacing unit not closer than 330' to the exterior boundaries thereof, as an exception to A.R.M. 36.22.702(1, 2, & 7).

Docket 28-2019

**APPLICANT: TRUE OIL, LLC – TOOLE COUNTY, MONTANA**

Upon the application of **True Oil, LLC** to create a temporary spacing unit comprised of the W $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$  (Lot 4) of Section 4 and the E $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$  (Lot 1) of Section 5, T36N-R3W, Toole County, Montana, to drill a test well within said spacing unit not closer than 330' to the exterior boundaries thereof, as an exception to A.R.M. 36.22.702(1, 2, & 7).

Docket 29-2019

**APPLICANT: PRIMARY FUELS, LLC – DAWSON COUNTY, MONTANA**

Upon the application of **Primary Fuels, LLC** to vacate Board Order 22-2007 that established a temporary spacing unit comprised of the SW $\frac{1}{4}$  of Section 8 and the NW $\frac{1}{4}$  of Section 17, T16N-R54E, Dawson County, Montana and to vacate Board Order 47-1962 as it applies to all of Section 8, T16N-R54E, Dawson County, Montana.

Docket 30-2019

**APPLICANT: WESTERN MEADOWLARK RESOURCES, LLC – YELLOWSTONE COUNTY, MONTANA**

Upon the request for a change of operator, and as required by Board policy, the Board will hold a hearing to consider approval of the transfer of plugging and reclamation responsibilities for certain wells identified in the application from Big Snowy Resources LP to Western Meadowlark Resources, LLC, and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.

Docket 31-2019

**APPLICANT: MIDWAY ENERGY, LLC – CARBON, MUSSELSHELL, AND STILLWATER COUNTIES, MONTANA**

Upon the request for a change of operator, and as required by Board policy, the Board will hold a hearing to consider approval of the transfer of plugging and reclamation responsibilities for certain wells identified in the application from Greylock Conventional, LLC, to Midway Energy, LLC, and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.

Docket 1-2019

Continued from February 2019

**APPLICANT: LONEWOLF OPERATING, LLC – BLAINE COUNTY, MONTANA**

Upon the application of **Lonewolf Operating, LLC** to designate a permanent spacing unit comprised of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 5, T34N-R21E, Blaine County, Montana, for the production of oil from the Sawtooth Formation with respect to the L. Neuens 7-5 well.

Docket 2-2019

Continued from February 2019

**APPLICANT: LONEWOLF OPERATING, LLC – BLAINE COUNTY, MONTANA**

Upon the application of **Lonewolf Operating, LLC** to designate a permanent spacing unit comprised of Lot 4 (NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 6, T34N-R21E, Blaine County, Montana, for the production of oil from the Sawtooth Formation with respect to the J. Pike 4-6 well.

Docket 3-2019  
Continued from February 2019

**APPLICANT: LONEWOLF OPERATING, LLC – BLAINE COUNTY, MONTANA**

Upon the application of **Lonewolf Operating, LLC** to pool all interests in the permanent spacing unit comprised of Lot 4 (NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 6, T34N-R21E, Blaine County, Montana, for the production of oil 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 J. Pike 4-6 well.

Docket 4-2019  
Continued from February 2019

**APPLICANT: LONEWOLF OPERATING, LLC – BLAINE COUNTY, MONTANA**

Upon the application of **Lonewolf Operating, LLC** to designate a permanent spacing unit comprised of Lot 7 (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section 6, T34N-R21E, Blaine County, Montana, for the production of oil from the Sawtooth Formation with respect to the S. Pike 13-6 well.

Docket 5-2019  
Continued from February 2019

**APPLICANT: LONEWOLF OPERATING, LLC – BLAINE COUNTY, MONTANA**

Upon the application of **Lonewolf Operating, LLC** to pool all interests in the permanent spacing unit comprised of Lot 7 (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section 6, T34N-R21E, Blaine County, Montana, for the production of oil 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 S. Pike 13-6 well.

Docket 32-2019  
**SHOW-CAUSE HEARING**

**RESPONDENT: A & G OIL & GAS – TOOLE COUNTY, MONTANA**

Upon the Board's own motion to require **A & G Oil & Gas** to appear and show cause, if any it has, why they should not be required to plug and abandon its wells:

- Normont 1 well, API # 25-101-23443, located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 2, T34N-R2W, Toole County, Montana
- Rossmiller 3 well, API # 25-101-23440, located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 11, T34N-R2W, Toole County, Montana
- Mullady 11-30 well, API # 25-101-22933, located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 30, T35N-R3W, Toole County, Montana

Docket 33-2019  
**SHOW-CAUSE HEARING**

**RESPONDENT: COMPASS ENERGY, INC. – PONDERA COUNTY, MONTANA**

Upon the Board's own motion to require **Compass Energy, Inc.** to appear and show cause, if any it has, why they should not be required to plug and abandon its Robert Aiken 6-24 well, API # 25-073-21260, located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 24, T30N-R4W, Pondera County, Montana.

Docket 34-2019  
**SHOW-CAUSE HEARING**

**RESPONDENT: MOLEN DRILLING CO., INC. – SWEETGRASS COUNTY, MONTANA**

Upon the Board's own motion to require **Molen Drilling Co., Inc.** to appear and show cause, if any it has, why they should not be required to plug and abandon its Cremer 1-23 well, API # 25-097-21003, located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 22, T2N-R15E, Sweetgrass County, Montana.

Docket 35-2019  
**SHOW-CAUSE HEARING**

**RESPONDENT: TDW GAS PROCESSING, LLC – TOOLE COUNTY, MONTANA**

Upon the Board's own motion to require **TDW Gas Processing, LLC** to appear and show cause, if any it has, why they should not be required to plug and abandon its Adams 3 well, API # 25-101-22726, located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$  NW $\frac{1}{4}$  of Section 20, T34N-R1W, Toole County, Montana.

Docket 36-2019  
**SHOW-CAUSE HEARING**

**RESPONDENT: UNIONTOWN ENERGY MONTANA LLC – MUSSELSHELL COUNTY, MONTANA**

Upon the Board's own motion to require **UnionTown Energy Montana LLC** to appear and show cause, if any it has, why they should not be required to plug and abandon its Little Montana 1 well, API # 25-065-21879, located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 35, T10N-R28E, Musselshell County, Montana.

Docket 37-2019  
**SHOW-CAUSE HEARING**

**RESPONDENT: KYKUIT RESOURCES, LLC – BLAINE AND FERGUS COUNTIES, MONTANA**

Upon the Board's own motion to require **Kykuit Resources, LLC** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to file production reports, failure to pay the \$320 administrative penalty assessed for delinquent reporting, and for failure to pay the \$1,000 fine assessed for not appearing at the February 14, 2019, public hearing.

Docket 38-2019  
**SHOW-CAUSE HEARING**

**RESPONDENT: BBX OPERATING CO. LLC – ROOSEVELT COUNTY, MONTANA**

Upon the Board's own motion to require **BBX Operating Co. LLC** to appear and show cause, if any it has, why additional penalties should not be imposed for failure to pay the administrative penalty assessed for delinquent reporting. In accordance with Board policy the amount due now is \$120.00. This docket will be dismissed if payment is received prior to the hearing. Failure to appear at the Show Cause hearing or to make suitable arrangements prior to said hearing subjects BBX Operating Co. LLC to further penalties as prescribed by Board Policy.

BOARD OF OIL AND GAS CONSERVATION

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Erin Ricci  
Administrative Assistant