

STATE OF MONTANA PROPOSED Meeting Schedule

EXHIBIT 1
2020

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

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

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

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

○ Filing Deadline

□ Meeting / Hearing

◆ HOLIDAY

~~Meeting~~ Unavailable meeting date

**MONTANA BOARD OF OIL AND GAS CONSERVATION
FINANCIAL STATEMENT
As of 11/26/19
Fiscal Year 2020: Percent of Year Elapsed - 41%**

		Budget	Expends	Remaining	%
Regulatory	Personal Services	1,263,751	400,311	863,440	31.7
UIC	Personal Services	<u>277,410</u>	<u>93,945</u>	<u>183,465</u>	33.9
	Total Expended	1,541,161	494,255	1,046,906	32.1
Regulatory	Equipment & Assets	46,371	-	46,371	0.0
UIC	Equipment & Assets	<u>10,179</u>	<u>-</u>	<u>10,179</u>	0.0
	Total Expended	56,550	-	56,550	0.0
Regulatory	Operating Expenses:				
	Contracted Services	135,211	37,976	97,235	28.1
	Supplies & Materials	54,903	17,365	37,538	31.6
	Communication	77,777	10,169	67,608	13.1
	Travel	34,276	6,476	27,800	18.9
	Rent	29,602	8,960	20,642	30.3
	Utilities	19,762	3,276	16,486	16.6
	Repair/Maintenance	33,292	12,863	20,429	38.6
	Other Expenses	<u>25,092</u>	<u>10,541</u>	<u>14,552</u>	42.0
	Total Operating Expenses	409,915	107,627	302,288	26.3
UIC	Operating Expenses:				
	Contracted Services	29,679	8,235	21,444	27.7
	Supplies & Materials	12,052	3,765	8,287	31.2
	Communication	17,114	2,290	14,824	13.4
	Travel	7,524	3,781	3,743	50.3
	Rent	6,498	1,967	4,531	30.3
	Utilities	4,338	719	3,619	16.6
	Repair/Maintenance	7,308	2,824	4,484	38.6
	Other Expenses	<u>5,508</u>	<u>2,033</u>	<u>3,475</u>	36.9
	Total Operating Expenses	90,021	25,615	64,406	28.5
	Total Expended	499,936	133,241	366,695	26.7

	Budget	Expends	Remaining	%
Carryforward FY18				
Personal Services	40,472	-	40,472	0.0
Operating Expenses	40,471	-	40,471	0.0
Equipment & Assests	<u>30,000</u>	<u>-</u>	<u>30,000</u>	0.0
Total	110,943	-	110,943	0.0

Funding Breakout	Regulatory Budget	Regulatory Expends	UIC Budget	UIC Expends	2020 Total Budget	2020 Total Expends	%
State Special	1,720,037	507,937	377,610	119,559	2,097,647	627,497	29.9
Federal 2019 UIC (10-1-2018 to 9-30-2019)			107,000	107,000	107,000	107,000	100.0
Federal 2020 UIC (10-1-2019 to 9-30-2020)	-	-	<u>106,692</u>	<u>-</u>	106,692	<u>-</u>	0.0
Total	1,720,037	507,937	591,302	226,559	2,311,339	734,497	31.8

REVENUE INTO STATE SPECIAL REVENUE ACCOUNT

	FY 20	FY 19
Oil & Gas Production Tax	\$ -	\$ 3,862,817
Oil Production Tax	-	3,607,367
Gas Production Tax	-	255,450
Drilling Permit Fees	5,125	13,375
UIC Permit Fees	300	241,300
Interest on Investments	13,886	41,955
Copies of Documents	68	526
Miscellaneous Reimbursements	-	15,200
TOTAL	\$ 19,379	\$ 4,175,173

REVENUE INTO GENERAL FUND FROM FINES

		FY 20
HAWLEY OIL LLP	7/12/2019	250
QUINQUE OIL	7/12/2019	80
KNAUP HARRY AND LUCILLE	7/19/2019	70
HOFLAND JAMES D / J H OIL COMPANY	8/9/2019	180
DRAWINGS LLC	8/19/2019	1,160
GREAT PLAINS ENERGY INC	8/19/2019	70
BENSUN ENERGY	8/22/2019	1,000
BAD WATER DISPOSAL, LLP	9/12/2019	70
BENSUN ENERGY	10/10/2019	7,820
TOTAL		\$ 10,700

REVENUE INTO DAMAGE MITIGATION ACCOUNT

	FY 20	FY 19
RIT Investment Earnings:	\$ 133,760	\$ -
July	-	-
August	61	-
September	34,760	-
October	63,320	-
November	35,618	-
December	-	-
January	-	-
February	-	-
March	-	-
April	-	-
May	-	-
June	-	-
Bond Forfeitures:	3,000	80,310
Interest on Investments	2,070	9,337
TOTAL	\$ 138,830	\$ 89,647

INVESTMENT ACCOUNT BALANCES

Regulatory Account	\$ 3,457,546
Damage Mitigation Account	\$ 582,927

DAMAGE MITIGATION CONTRACTS

<u>Name</u>	<u>Authorized Amt</u>	<u>Expended</u>	<u>Balance</u>	<u>Status</u>	<u>Expiration Date</u>
Beery 2 and Beery 22-24 Wells Plug and Reclaim	\$ 176,500	\$ 155,704	\$ 20,796	Under Contract	12/31/2019
Alturas Plug, Abandon, and Reclaim Wells	249,677	-	\$ 249,677	Under Contract	6/30/2021
TOTAL	\$ 426,177	\$ 155,704	\$ 270,473		

CONTRACTS

<u>Name</u>	<u>Authorized Amt</u>	<u>Expended</u>	<u>Balance</u>	<u>Status</u>	<u>Expiration Date</u>
MT Tech - Elm Coulee EOR Study (MOU 127220)	\$ 863,905	\$ 717,168	\$ 146,737	Under Contract	12/31/2019
Agency Legal Services 2020	70,000	7,310	62,690	Under Contract	6/30/2020
COR Enterprises - Billings Janitorial	30,000	9,735	20,265	Under Contract	6/30/2020
Production and Injection Form Data Entry	66,000	46,544	19,456	Under Contract	2/28/2020
TOTAL	\$ 1,029,905	\$ 780,757	\$ 249,148		

**Agency Legal Services
Expenditures in FY19**

<u>Case</u>	<u>Amt Spent</u>
BOGC Duties	\$ 7,310

BEFORE THE BOARD OF OIL AND GAS CONSERVATION AND THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF PROPOSED
ARM 36.22.1242 pertaining to the) AMENDMENT
Board of Oil and Gas Conservation)
privilege and license tax) NO PUBLIC HEARING
) CONTEMPLATED

To: All Concerned Persons

1. On December 12, 2019, the Board of Oil and Gas Conservation and the Department of Natural Resources and Conservation propose to amend the above-stated rule.

2. The board will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact Board of Oil and Gas Conservation no later than 3:00 p.m. on October 11, 2019, to advise us of the nature of the accommodation that you need. Please contact Jim Halvorson, Board of Oil and Gas Conservation, 2535 St. Johns Avenue, Billings, Montana, 59102; telephone (406) 656-0040; fax (406) 655-6015; TDD/Montana Relay Service (406) 444-1421; or e-mail jhalvorson@mt.gov.

3. The rule as proposed to be amended provides as follows, new matter underlined, deleted matter interlined:

36.22.1242 REPORTS BY PRODUCERS – TAX REPORT – TAX RATE

(1) remains the same.

(2) The privilege and license tax on each barrel of crude petroleum and each 10,000 cubic feet of natural gas produced, saved, and marketed, or stored within the state or exported therefrom shall be ~~400~~ 83.33 percent of the rate authorized in 82-11-131, MCA, (3/10 of 1%) of the market value thereof. This rule is effective on all crude petroleum and natural gas produced on and after ~~October 1, 2016~~ January 1, 2020.

AUTH: 82-11-111, MCA
IMP: 82-11-123, 82-11-131, MCA

REASON: Under current forecast oil and gas prices and production, the proposed rate reduction will provide adequate income for board operations and other activities required by statute.

4. Concerned persons may submit their data, views, or arguments concerning the proposed action in writing to: James Halvorson, Board of Oil and Gas Conservation and the Department of Natural Resources and Conservation, 2535 St.

Johns Avenue, Billings, Montana, 59102; telephone (406) 656-0040; fax (406) 655-6015; or e-mail jhalvorson@mt.gov, and must be received no later than 5:00 p.m., October 18, 2019.

5. If persons who are directly affected by the proposed action wish to express their data, views, or arguments orally or in writing at a public hearing, they must make written request for a hearing and submit this request along with any written comments to James Halvorson at the above address no later than 5:00 p.m., October 18, 2019.

6. If the agency receives requests for a public hearing on the proposed action from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed action; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register. Ten percent of those directly affected has been determined to be 20 persons based on the number of oil and gas producers in the state.

7. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in number 2 above or may be made by completing a request form at any rules hearing held by the department.

8. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

9. With regard to the requirements of 2-4-111, MCA, the department has determined that the amendment of the above-referenced rule will not significantly and directly impact small businesses.

/s/ Steve Durrett
Steve Durrett, Chairman
Board of Oil and Gas
Conservation

/s/ John E. Tubbs
John E. Tubbs
Director
Department of Natural Resources and
Conservation

/s/ Robert Stutz
Robert Stutz
Rule Reviewer

Certified to the Secretary of State September 10, 2019.

UPDATE	12/2/2019												
				Production	DOR	DOR	HJ0002	EIA -Oil	EIA- Oil				
Month	Months	CY	FY	Period	Oil	Gas	MT price	WTI	W/0.88 Diff	Used	Oil (Bbls)	Gas (mcf)	
0	Oct-Dec	4Q-2014	FY 15 Q2	CY 2Q-2014	\$91.24	\$4.12							
1	Jan-Mar	1Q-2015	FY 15 Q3	CY 3Q-2014	\$84.07	\$3.63							
2	Apr-Jun	2Q-2015	FY 15 Q4	CY 4Q-2014	\$61.68	\$3.15							
3	Jul-Sep	3Q-2015	FY 16 Q1	CY 1Q-2015	\$38.52	\$2.07							
4	Oct-Dec	4Q-2015	FY 16 Q2	CY 2Q-2015	\$49.09	\$1.58							
5	Jan-Mar	1Q-2016	FY 16 Q3	CY 3Q-2015	\$38.88	\$1.65							
6	Apr-Jun	2Q-2016	FY 16 Q4	CY 4Q-2015	\$35.35	\$1.52							
7	Jul-Sep	3Q-2016	FY 17 Q1	CY 1Q-2016	\$24.81	\$1.36							
8	Oct-Dec	4Q-2016	FY 17 Q2	CY 2Q-2016	\$38.31	\$1.31							
9	Jan-Mar	1Q-2017	FY 17 Q3	CY 3Q-2016	\$37.92	\$1.61							
10	Apr-Jun	2Q-2017	FY 17 Q4	CY 4Q-2016	\$42.42	\$2.37							
11	Jul-Sep	3Q-2017	FY 18 Q1	CY 1Q-2017	\$45.07	\$2.30							
12	Oct-Dec	4Q-2017	FY 18 Q2	CY 2Q-2017	\$42.29	\$2.25							
13	Jan-Mar	1Q-2018	FY 18 Q3	CY 3Q-2017	\$43.10	\$2.01	\$59.73	\$65.06					
14	Apr-Jun	2Q-2018	FY 18 Q4	CY 4Q-2017	\$51.20	\$2.46	\$59.73	\$65.06					
15	Jul-Sep	3Q-2018	FY 19 Q1	CY 1Q-2018	\$58.01	\$2.28	\$59.73	\$65.06	\$57.25				
16	Oct-Dec	4Q-2018	FY 19 Q2	CY 2Q-2018	\$62.56	\$1.75	\$59.73	\$65.06	\$57.25				
17	Jan-Mar	1Q-2019	FY 19 Q3	CY 3Q-2018	\$48.79	\$2.34	\$63.82	\$56.45	\$49.68				
18	Apr-Jun	2Q-2019	FY 19 Q4	CY 4Q-2018	\$54.57	\$1.20	\$63.82	\$56.45	\$49.68				
19	Jul-Sep	3Q-2019	FY 20 Q1	CY 1Q-2019			\$63.82	\$56.45	\$49.68	\$49.68	5,516,389	9,751,351	
20	Oct-Dec	4Q-2019	FY 20 Q2	CY 2Q-2019			\$63.82	\$56.45	\$49.68	\$49.68	5,241,430	9,169,466	
21	Jan-Mar	1Q-2020	FY 20 Q3	CY 3Q-2019			\$59.79	\$54.60	\$48.05	\$48.05	4,999,955	9,455,933	
22	Apr-Jun	2Q-2020	FY 20 Q4	CY 4Q-2019			\$59.79	\$54.60	\$48.05	\$48.05	4,796,775	9,311,598	
23	Jul-Sep	3Q-2020	FY 21 Q1	CY 1Q-2020			\$59.79	\$54.60	\$48.05	\$48.05	4,597,654	9,169,466	
24	Oct-Dec	4Q-2020	FY 21 Q2	CY 2Q-2020			\$59.79	\$54.60	\$48.05	\$48.05	4,429,075	9,029,504	
25	Jan-Mar	1Q-2021	FY 21 Q3	CY 3Q-2020			\$60.11	\$54.60	\$48.05	\$48.05	4,278,087	8,891,678	
26	Apr-Jun	2Q-2021	FY 21 Q4	CY 4Q-2020			\$60.11	\$54.60	\$48.05	\$48.05	4,142,205	8,755,956	

12/2/2019

Oil and Gas Tax Receipts

Month	Months	CY	FY	Prod Receipt	Oil Prod	Gas Prod	Oil \$	Gas \$	Tax	Oil Value	Gas Value	P & L Income
0	Oct-Dec	4Q-2014	FY 15 Q2	(tax period)	(bbls)	(mcf)						
1	Jan-Mar	1Q-2015	FY 15 Q3									
2	Apr-Jun	2Q-2015	FY 15 Q4	x	7,810,865	12,179,729						
3	Jul-Sep	3Q-2015	FY 16 Q1		7,601,245	11,871,092			0.0009	\$255,990	\$22,260	\$278,250
4	Oct-Dec	4Q-2015	FY 16 Q2		7,298,987	12,106,945			0.0009	\$311,792	\$19,902	\$331,694
5	Jan-Mar	1Q-2016	FY 16 Q3	CY 3Q-2015	6,927,288	12,117,577			0.0009	\$222,612	\$19,358	\$241,970
6	Apr-Jun	2Q-2016	FY 16 Q4	CY 4Q-2015	6,593,334	11,926,311			0.0009	\$183,954	\$18,999	\$202,953
7	Jul-Sep	3Q-2016	FY 17 Q1	CY 1Q-2016	6,252,329	11,738,064			0.0009	\$144,279	\$18,699	\$162,977
8	Oct-Dec	4Q-2016	FY 17 Q2	CY 2Q-2016	5,963,118	11,552,789			0.0009	\$203,939	\$11,437	\$215,376
9	Jan-Mar	1Q-2017	FY 17 Q3	CY 3Q-2016	5,711,869	11,370,438			0.0009	\$195,346	\$16,578	\$211,924
10	Apr-Jun	2Q-2017	FY 17 Q4	CY 4Q-2016	5,497,224	11,190,966			0.0030	\$626,684	\$59,424	\$686,108
11	Jul-Sep	3Q-2017	FY 18 Q1	CY 1Q-2017	5,301,250	11,014,328	\$38.00	\$1.77	0.0030	\$604,343	\$58,486	\$662,829
12	Oct-Dec	4Q-2017	FY 18 Q2	CY 2Q-2017	5,124,593	10,840,477	\$49.00	\$1.77	0.0030	\$753,315	\$57,563	\$810,878
13	Jan-Mar	1Q-2018	FY 18 Q3	CY 3Q-2017	4,964,006	10,669,371	\$49.00	\$1.77	0.0030	\$729,709	\$56,654	\$786,363
14	Apr-Jun	2Q-2018	FY 18 Q4	CY 4Q-2017	4,816,981	10,500,966	\$49.00	\$1.77	0.0030	\$708,096	\$55,760	\$763,856
15	Jul-Sep	3Q-2018	FY 19 Q1	CY 1Q-2018	4,681,541	10,335,219	\$50.00	\$1.77	0.0030	\$702,231	\$54,880	\$757,111
16	Oct-Dec	4Q-2018	FY 19 Q2	CY 2Q-2018	4,556,106	10,172,089	\$55.00	\$1.77	0.0030	\$751,757	\$54,014	\$805,771
17	Jan-Mar	1Q-2019	FY 19 Q3	CY 3Q-2018	5,129,828	10,007,214	\$48.79	\$2.34	0.0030	\$750,853	\$70,251	\$821,104
18	Apr-Jun	2Q-2019	FY 19 Q4	CY 4Q-2018	4,887,705	9,842,775	\$54.57	\$1.20	0.0030	\$800,166	\$35,434	\$835,600
19	Jul-Sep	3Q-2019	FY 20 Q1	CY 1Q-2019	5,516,389	9,751,351	\$49.68	\$1.70	0.0030	\$822,096	\$49,732	\$871,828
20	Oct-Dec	4Q-2019	FY 20 Q2	CY 2Q-2019	5,241,430	9,169,466	\$49.68	\$1.70	0.0030	\$781,120	\$46,764	\$827,884
21	Jan-Mar	1Q-2020	FY 20 Q3	CY 3Q-2019	4,999,955	9,455,933	\$48.05	\$1.70	0.0030	\$720,714	\$48,225	\$768,939
22	Apr-Jun	2Q-2020	FY 20 Q4	CY 4Q-2019	4,796,775	9,311,598	\$48.05	\$1.70	0.0025	\$576,166	\$39,573	\$615,738
23	Jul-Sep	3Q-2020	FY 21 Q1	CY 1Q-2020	4,597,654	9,169,466	\$48.05	\$1.70	0.0025	\$552,248	\$38,969	\$591,217
24	Oct-Dec	4Q-2020	FY 21 Q2	CY 2Q-2020	4,429,075	9,029,504	\$48.05	\$1.70	0.0025	\$531,999	\$38,374	\$570,373
25	Jan-Mar	1Q-2021	FY 21 Q3	CY 3Q-2020	4,278,087	8,891,678	\$48.05	\$1.70	0.0025	\$513,863	\$37,788	\$551,651
26	Apr-Jun	2Q-2021	FY 21 Q4	CY 4Q-2020	4,142,205	8,755,956	\$48.05	\$1.70	0.0025	\$497,542	\$37,211	\$534,753
			FY 20/21		38,001,570	73,534,952				\$4,995,748	\$336,636	\$5,332,384

12/2/2019														
Income														
Month	Months	CY	FY	Revenue Total	P&L	Received	UIC Fees	UIC Federal	Misc Total	Vehicle	Permits	Copies	Investment	Public Request
0	Oct-Dec	4Q-2014	FY 15 Q2											
1	Jan-Mar	1Q-2015	FY 15 Q3											
2	Apr-Jun	2Q-2015	FY 15 Q4											
3	Jul-Sep	3Q-2015	FY 16 Q1											
4	Oct-Dec	4Q-2015	FY 16 Q2											
5	Jan-Mar	1Q-2016	FY 16 Q3	\$482,484	\$241,970	1/26/2016	\$207,600	\$25,868	\$7,046	\$0	\$3,825	\$189	\$3,032	
6	Apr-Jun	2Q-2016	FY 16 Q4	\$268,804	\$219,216	4/27/2016	\$400	\$27,604	\$21,584	\$13,000	\$3,675	\$330	\$4,579	
7	Jul-Sep	3Q-2016	FY 17 Q1	\$206,371	\$147,515	8/4/2016		\$54,528	\$4,328	\$0	\$3,225	\$86	\$1,017	
8	Oct-Dec	4Q-2016	FY 17 Q2	\$268,152	\$204,644	10/26/2016	\$56,800		\$6,708	\$0	\$3,525	\$69	\$2,893	\$221
9	Jan-Mar	1Q-2017	FY 17 Q3	\$395,648	\$205,281	1/27/2017	\$185,600		\$4,767	\$0	\$2,350	\$113	\$2,304	
10	Apr-Jun	2Q-2017	FY 17 Q4	\$783,075	\$718,144	4/28/2017	\$400	\$51,148	\$13,382	\$6,801	\$3,475	\$494	\$2,612	
11	Jul-Sep	3Q-2017	FY 18 Q1	\$838,710	\$779,670	7/27/2017	\$0	\$54,852	\$4,188	\$0	\$3,375	\$144	\$669	
12	Oct-Dec	4Q-2017	FY 18 Q2	\$777,191	\$695,925	10/26/2017	\$53,200	\$0	\$28,065	\$23,045	\$3,675	\$124	\$1,222	
13	Jan-Mar	1Q-2018	FY 18 Q3	\$960,085	\$767,805	1/30/2018	\$186,200	\$0	\$6,080	\$0	\$3,550	\$204	\$2,326	
14	Apr-Jun	2Q-2018	FY 18 Q4	\$913,996	\$820,593	4/26/2018	\$400	\$81,000	\$12,003	\$0	\$4,900	\$186	\$6,917	
15	Jul-Sep	3Q-2018	FY 19 Q1	\$890,554	\$885,435	7/27/2018		\$0	\$5,119	\$0	\$1,700	\$74	\$3,345	
16	Oct-Dec	4Q-2018	FY 19 Q2	\$1,081,699	\$1,018,460	10/29/2018	\$21,800	\$27,000	\$14,439	\$0	\$5,775	\$175	\$8,488	
17	Jan-Mar	1Q-2019	FY 19 Q3	\$1,341,149	\$1,110,287	1/31/2019	\$218,000		\$12,861	\$0	\$2,125	\$19	\$10,718	
18	Apr-Jun	2Q-2019	FY 19 Q4	\$1,000,244	\$888,788	4/26/2019	\$1,200	\$71,620	\$38,636	\$15,200	\$3,775	\$258	\$19,403	
19	Jul-Sep	3Q-2019	FY 20 Q1	\$904,429	\$862,314	7/29/2019		\$35,380	\$6,735	\$0	\$2,625	\$44	\$4,066	
20	Oct-Dec	4Q-2019	FY 20 Q2	\$1,038,327	\$1,011,427	10/28/2019	\$20,000		\$6,900	\$0	\$3,000	\$150	\$3,750	
21	Jan-Mar	1Q-2020	FY 20 Q3	\$995,839	\$768,939		\$220,000		\$6,900	\$0	\$3,000	\$150	\$3,750	
22	Apr-Jun	2Q-2020	FY 20 Q4	\$716,638	\$615,738			\$79,000	\$21,900	\$15,000	\$3,000	\$150	\$3,750	
23	Jul-Sep	3Q-2020	FY 21 Q1	\$625,117	\$591,217			\$27,000	\$6,900	\$0	\$3,000	\$150	\$3,750	
24	Oct-Dec	4Q-2020	FY 21 Q2	\$597,273	\$570,373		\$20,000		\$6,900	\$0	\$3,000	\$150	\$3,750	
25	Jan-Mar	1Q-2021	FY 21 Q3	\$778,551	\$551,651		\$220,000		\$6,900	\$0	\$3,000	\$150	\$3,750	
26	Apr-Jun	2Q-2021	FY 21 Q4	\$635,653	\$534,753			\$79,000	\$21,900	\$15,000	\$3,000	\$150	\$3,750	
			FY 20/21	\$6,291,828	\$5,506,413		\$480,000	\$220,380	\$85,035					

12/2/2019										
							Special Revenue Account			
Month	Months	CY	FY	Prod Receipt	Expenditures	Revenue	Beginning	End		
0	Oct-Dec	4Q-2014	FY 15 Q2	(tax period)						
1	Jan-Mar	1Q-2015	FY 15 Q3							
2	Apr-Jun	2Q-2015	FY 15 Q4	x						
3	Jul-Sep	3Q-2015	FY 16 Q1				3,990,171	3,383,390		
4	Oct-Dec	4Q-2015	FY 16 Q2				3,383,390	2,874,838		
5	Jan-Mar	1Q-2016	FY 16 Q3	CY 3Q-2015	\$734,812	\$482,484	2,874,838	2,622,510		
6	Apr-Jun	2Q-2016	FY 16 Q4	CY 4Q-2015	\$694,430	\$268,804	2,622,510	2,196,884		
7	Jul-Sep	3Q-2016	FY 17 Q1	CY 1Q-2016	\$500,634	\$206,371	2,196,884	1,902,621		
8	Oct-Dec	4Q-2016	FY 17 Q2	CY 2Q-2016	\$851,988	\$268,152	1,902,621	1,318,785		
9	Jan-Mar	1Q-2017	FY 17 Q3	CY 3Q-2016	\$832,589	\$395,648	1,318,785	881,844		
10	Apr-Jun	2Q-2017	FY 17 Q4	CY 4Q-2016	\$967,928	\$783,075	881,844	696,990		
11	Jul-Sep	3Q-2017	FY 18 Q1	CY 1Q-2017	\$776,087	\$838,710	696,990	759,613		
12	Oct-Dec	4Q-2017	FY 18 Q2	CY 2Q-2017	\$628,999	\$777,191	759,613	907,805		
13	Jan-Mar	1Q-2018	FY 18 Q3	CY 3Q-2017	\$613,544	\$960,085	907,805	1,254,345		
14	Apr-Jun	2Q-2018	FY 18 Q4	CY 4Q-2017	\$688,025	\$913,996	1,254,345	1,480,316		
15	Jul-Sep	3Q-2018	FY 19 Q1	CY 1Q-2018	\$592,215	\$890,554	1,480,316	1,778,655		
16	Oct-Dec	4Q-2018	FY 19 Q2	CY 2Q-2018	\$917,635	\$1,081,699	1,778,655	1,942,719		
17	Jan-Mar	1Q-2019	FY 19 Q3	CY 3Q-2018	\$598,340	\$1,341,149	1,942,719	2,685,528		
18	Apr-Jun	2Q-2019	FY 19 Q4	CY 4Q-2018	\$469,557	\$1,000,244	2,685,528	3,216,215		
19	Jul-Sep	3Q-2019	FY 20 Q1	CY 1Q-2019	\$790,305	\$904,429	3,216,215	3,330,340		
20	Oct-Dec	4Q-2019	FY 20 Q2	CY 2Q-2019	\$833,091	\$1,038,327	3,330,340	3,535,576		
21	Jan-Mar	1Q-2020	FY 20 Q3	CY 3Q-2019	\$833,091	\$995,839	3,535,576	3,698,324		
22	Apr-Jun	2Q-2020	FY 20 Q4	CY 4Q-2019	\$833,091	\$716,638	3,698,324	3,581,871		
23	Jul-Sep	3Q-2020	FY 21 Q1	CY 1Q-2020	\$1,037,841	\$625,117	3,581,871	3,169,148		
24	Oct-Dec	4Q-2020	FY 21 Q2	CY 2Q-2020	\$737,841	\$597,273	3,169,148	3,028,580		
25	Jan-Mar	1Q-2021	FY 21 Q3	CY 3Q-2020	\$737,841	\$778,551	3,028,580	3,069,291		
26	Apr-Jun	2Q-2021	FY 21 Q4	CY 4Q-2020	\$737,841	\$635,653	3,069,291	2,967,104		
FY20/21					\$6,540,940	\$6,291,828	\$3,216,215	\$2,967,104		
Board Expended / Budgeted					\$4,138,366					
Other					\$146,737					
DNRC Overhead					\$362,458					
Sage Grouse, Rural Water, MBMG					\$1,893,379					
					\$6,540,940					
					@ 85%	\$5,559,799				

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

EXHIBIT 4

10/9/2019 Through 12/2/2019

Canceled

Swanson Oilfield Services Inc. Clarinda IA	796 T1	Canceled	10/25/2019
		Amount:	\$10,000.00
		Purpose:	UIC Single Well Bond
Swanson Oilfield Services Inc. Clarinda IA	796 T2	Canceled	10/25/2019
		Amount:	\$10,000.00
		Purpose:	UIC Single Well Bond
Tyler Oil Company Billings MT	196 T1	Canceled	10/24/2019
		Amount:	\$10,000.00
		Purpose:	UIC Single Well Bond
Tyler Oil Company Billings MT	196 T2	Canceled	10/24/2019
		Amount:	\$10,000.00
		Purpose:	UIC Single Well Bond
Tyler Oil Company Billings MT	196 M3	Canceled	10/24/2019
		Amount:	\$50,000.00
		Purpose:	Multiple Well Bond
Welty, Gene & Wilma Big Sandy MT	852 D1	Canceled	11/18/2019
		Amount:	\$5,240.00
		Purpose:	Domestic Well Bond

Forfeited

Compass Energy, Inc. Shelby MT	229 L1	Forfeited	10/28/2019
		Amount:	\$1,500.00
		Purpose:	Single Well Bond
TDW Gas Processing, LLC Oilmont MT	476 T1	Forfeited	10/23/2019
		Amount:	\$1,500.00
		Purpose:	UIC Single Well Bond

Letter Sent

Compass Energy, Inc. Shelby MT	229 L1	Letter Sent	10/17/2019
		Amount:	\$1,500.00
		Purpose:	Single Well Bond
Molen Drilling Co., Inc. Billings MT	5081 B1	Letter Sent	10/17/2019
		Amount:	\$10,000.00
		Purpose:	Blanket Bond
TDW Gas Processing, LLC Oilmont MT	476 T1	Letter Sent	10/17/2019
		Amount:	\$1,500.00
		Purpose:	UIC Single Well Bond
UnionTown Energy Montana LLC Billings MT	670 G1	Letter Sent	10/17/2019
		Amount:	\$10,000.00
		Purpose:	Single Well Bond
Certificate of Deposit	\$10,000.00	Yellowstone Bank	ACT

Incident Report

EXHIBIT 5

Company	Responsibility	Date	Incident	Oil Released	Water Released	Source	Contained	Latitude	Longitud	County	T-R-S
Slawson Exploration Company Inc	BOG	10/13/2019	Spill or Release		10 Barrels	Tank or Tank Battery	Yes	48.01341	-104.07081	Roosevelt	26N-59E-11 SWSW
Cline Production Company	BOG	10/15/2019	Spill or Release	5 Barrels	20 Barrels	Tank or Tank Battery	Yes	46.72253	-107.71645	Rosebud	11N-32E-8 SENE
Whiting Oil and Gas Corporation	BOG	10/15/2019	Spill or Release	10 Barrels	10 Barrels	Tank or Tank Battery	Yes	47.95536	-104.32365	Richland	26N-57E-35 SESW
Grizzly Operating, LLC	BOG	10/21/2019	Spill or Release	45 Barrels		Flow Line - Production	Yes	45.01934	-108.88458	Carbon	9S-23E-27 NESE
Denbury Onshore, LLC	BOG	10/22/2019	Spill or Release	21 Gallons	8 Barrels	Flow Line - Production	No	46.40111	-104.27440	Fallon	8N-60E-31 SENW
Denbury Onshore, LLC	FED	10/23/2019	Spill or Release		9 Barrels	Flow Line - Production	No	46.42465	-104.31825	Fallon	8N-59E-26 NWNW
Whiting Oil and Gas Corporation	BOG	10/23/2019	Fire	5 Barrels		Treater	Yes	47.89611	-104.29210	Richland	25N-57E-25 NENE
Anadarko Minerals, Inc.	OTR	10/27/2019	Spill or Release		380 Barrels	Tank or Tank Battery	Yes	48.40195	-106.03544	Valley	31N-44E-32 SENW
XTO Energy Inc.	BOG	10/29/2019	Spill or Release	1 Barrels		Flare Pit	No	47.78592	-104.31045	Richland	23N-58E-5 SWNW
Wesco Operating, Inc.	BOG	10/31/2019	Spill or Release		70 Barrels	Tank or Tank Battery	Yes	46.53554	-104.28224	Fallon	9N-59E-15 SENW
Denbury Onshore, LLC	BOG	11/4/2019	Fire			Flare Pit	No	46.31737	-104.15503	Fallon	7N-60E-36 NWSW
Denbury Onshore, LLC	BOG	11/4/2019	Spill or Release	5 Barrels	30 Barrels	Flow Line - Production	Yes	46.70491	-104.49491	Wibaux	11N-57E-13 NESW
Denbury Onshore, LLC	BOG	11/7/2019	Spill or Release		25 Barrels	Well Head	Yes	46.35560	-104.21119	Fallon	7N-60E-16 SESW
Citation Oil & Gas Corp.	OTR	11/8/2019	Spill or Release			Flow Line - Production	No	48.37331	-105.76585	Roosevelt	30N-46E-8 SENE
True Oil LLC	BOG	11/13/2019	Spill or Release		140 Barrels	Flow Line - Production	No	47.70149	-104.23591	Richland	22N-58E-2 NWNE
Citation Oil & Gas Corp.	BOG	11/16/2019	Fire			Treater	Yes	48.48418	-109.20901	Blaine	32N-19E-36 SESW

Docket Summary

114-2019	Kraken Oil & Gas LLC	Authorize the drilling of up to three additional wells in permanent spacing unit, Bakken/Three Forks Formation, 25N-59E-6: all, 7: all, 200' heel/toe, 500' lateral setbacks.	Spacing units to the east & west have 4 wells.	<input type="checkbox"/>
115-2019	Kraken Oil & Gas LLC	Authorize the drilling of up to three additional wells in permanent spacing unit, Bakken/Three Forks Formation, 25N-59E-17: all, 20: all, 200' heel/toe, 500' lateral setbacks.		<input type="checkbox"/>
116-2019	Kraken Oil & Gas LLC	Pooling, permanent spacing unit, Bakken/Three Forks Formation, 27N-57E-13: all, 24: all (Higgins 13-24 #2H, Higgins 13-24 #3H, and Higgins 13-24 #4H). Non-consent penalties requested.	<Comment likely - Dean Harmon>	<input type="checkbox"/>
117-2019	Prima Exploration, Inc.	Amend Order 380-2011 to authorize the drilling of up to four horizontal wells with a common pad in temporary spacing unit, Bakken/Three Forks Formation, 25N-58E-13: all, 24: all, 200' heel/toe setbacks, 500' lateral. Apply for permanent spacing within 90 days of successful completion. Operations must commence within one year of date of order.		<input type="checkbox"/>
118-2019	Prima Exploration, Inc.	Amend Order 380-2011 to authorize the drilling of up to four horizontal wells with a common pad in temporary spacing unit, Bakken/Three Forks Formation, 25N-59E-18: all, 19: all, 200' heel/toe setbacks, 500' lateral. Apply for permanent spacing within 90 days of successful completion. Operations must commence within one year of date of order.		<input type="checkbox"/>
119-2019	Denbury Onshore, LLC	Exception to statewide drilling and temporary spacing rules, Charles Formation / Madison Group, 10N-58E-8: NW, authorization to recomplete the Cabin Creek 12-8 (1,991' FNL / 530' FWL).	Well located closer than 660' to statewide TSU boundary. Located within area of overlapping horizontal well TSUs for Madison. Federal unit, PA will be established at some point.	<input type="checkbox"/>
120-2019	Denbury Onshore, LLC	Exception to statewide drilling and temporary spacing rules, Charles Formation / Madison Group, 10N-58E-8: SE, authorization to recomplete the Cabin Creek 34-8 (660' FSL / 1,990' FEL).	Well located closer than 660' to statewide TSU boundary. Located within area of overlapping horizontal well TSUs for Madison. Federal unit, PA will be established at some point.	<input type="checkbox"/>
121-2019	Denbury Onshore, LLC	Exception to statewide drilling and temporary spacing rules, Charles Formation / Madison Group, 10N-58E-17: NE, authorization to recomplete the Cabin Creek 41-17 (658' FNL / 761' FEL).	Well located closer than 660' to statewide TSU boundary. Located within area of overlapping horizontal well TSUs for Madison. Federal unit, PA will be established at some point.	<input type="checkbox"/>
122-2019	Denbury Onshore, LLC	Exception to statewide drilling and temporary spacing rules, Charles Formation / Madison Group, 10N-58E-17: SE, authorization to recomplete the Cabin Creek 43-17 (2,039' FSL / 583' FEL).	Well located closer than 660' to statewide TSU boundary. Located within area of overlapping horizontal well TSUs for Madison. Federal unit, PA will be established at some point.	<input type="checkbox"/>

123-2019	Keesun Corporation	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 Rock Creek Oil, Inc. to Keesun Corporation, and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.			<input type="checkbox"/>
124-2019	Scout Energy Management LLC	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 Omimex Canada, LTD to Scout Energy Management LLC, and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.	Continued	<i>Application continued, email received 12/2/19.</i>	<input type="checkbox"/>
125-2019	A. B. Energy LLC	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 Taylor Well Operating Inc. to A.B. Energy LLC, and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.			<input type="checkbox"/>
126-2019	Crazy Mountain Oil & Gas	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 Bayswater Exploration & Production, LLC to Crazy Mountain Oil & Gas, and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.			<input type="checkbox"/>
89-2019	Kraken Oil & Gas LLC	Vacate order 342-2011 (TSU, Bakken/Three Forks Formations, 25N-59E-29: all, 30: all); designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 25N-59E-30: all, 31: all, 500' lateral and 200' heel/toe setbacks. Apply for permanent spacing within 90 days of completion.		<i>Related application: 89-2019, 90-2019. Overlaps with existing wells on 640-acre spacing. Application continued, email received 9/28/19.</i>	<input type="checkbox"/>
90-2019	Kraken Oil & Gas LLC	Exception to drill up to four wells, temporary spacing unit, Bakken/Three Forks Formation, 25N-59E-30: all, 31: all, 200' heel/toe, 500' lateral setbacks, provided that operations for the drilling of said wells commence within one year of the date of the order issued by the Board. Apply for permanent spacing within 90 days of completion.		<i>Related application: 89-2019, 90-2019. Overlaps with existing wells on 640-acre spacing. Application continued, email received 9/28/19.</i>	<input type="checkbox"/>
91-2019	Kraken Oil & Gas LLC	Vacate order 342-2011 (TSU, Bakken/Three Forks Formations, 25N-59E-29: all, 30: all); designate overlapping temporary spacing unit, Bakken/Three Forks Formation, 25N-59E-29: all, 32: all, 500' lateral and 200' heel/toe setbacks. Apply for permanent spacing within 90 days of completion.		<i>Related application: 91-2019, 92-2019. Overlaps with existing wells on 640-acre spacing. Application continued, email received 9/28/19.</i>	<input type="checkbox"/>
92-2019	Kraken Oil & Gas LLC	Exception to drill up to four wells, temporary spacing unit, Bakken/Three Forks Formation, 25N-59E-29: all, 32: all, 200' heel/toe, 500' lateral setbacks, provided that operations for the drilling of said wells commence within one year of the date of the order issued by the Board. Apply for permanent spacing within 90 days of completion.		<i>Related application: 91-2019, 92-2019. Overlaps with existing wells on 640-acre spacing. Application continued, email received 9/28/19.</i>	<input type="checkbox"/>

100-2019	Sage Creek Colony	Permanent spacing unit, Colorado Group, 37N-5E-12: SESE (Federal 44-12, 051-21682). For domestic purposes only.		Statewide 640-acre SU. Loc 330' FSB & 300' FEB of proposed SU Reported - Blackleaf (Lybeck, Gas)	<input type="checkbox"/>
101-2019	Sage Creek Colony	Permanent spacing unit, Colorado Group, 37N-5E-13: NWNW (Federal 2R-13, 051-21628). For domestic purposes only.		Sage Creek Field, 640-acre SU. Loc 280' FSB, 555' FWB of proposed SU. Reported - Bow Island (Woods, Gas)	<input type="checkbox"/>
102-2019	Sage Creek Colony	Permanent spacing unit, Colorado Group, 37N-6E-8: SENE (Margaret T. Johnson #1, 051-21385). For domestic purposes only.		Sage Creek Field, 640-acre SU. Loc 330' FWB, 190' FSB of proposed SU. Reported - Second White Specks. (Sage Ck., gas)	<input type="checkbox"/>
103-2019	Sage Creek Colony	Permanent spacing unit, Colorado Group, 37N-6E-12: NWSW (Johnson 12-12, 051-21407). For domestic purposes only.		Sage Creek Field, 640-acre SU. Loc 355' FNB, 307' FWB of proposed SU. Reported - Second White Specks. (Lybeck, gas)	<input type="checkbox"/>
104-2019	Sage Creek Colony	Designating Jessie Millen #1 (051-21136) as noncommercial natural gas well, 37N-5E-24: NWNW, 990' FNL, 2250' FEL. For domestic purposes only.	Withdrawn	Sandwich Field; 320-acre, N2 SU Reported - Swift (Sage Ck., gas) Application withdrawn, email received 11/26/19.	<input type="checkbox"/>
105-2019	Sage Creek Colony	Designating M. Johnson #15-5 (051-21395) as noncommercial natural gas well, 37N-6E-5: SWSE, 900' FSL, 2060' FEL. For domestic purposes only.	Withdrawn	Sage Creek Field; 640-acre SU Reported - Second White Specks (Sage Ck., gas) Application withdrawn, email received 11/26/19.	<input type="checkbox"/>
106-2019	Sage Creek Colony	Designating Corcoran and Gray #6-27 (051-21312) as noncommercial natural gas well, 37N-6E-27: SENW, 1650' FNL, 1430' FWL. For domestic purposes only.	Withdrawn	Statewide spacing Reported - Blackleaf (Sage Ck., Domestic) Application withdrawn, email received 11/26/19.	<input type="checkbox"/>
107-2019	Cline Production Company	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 Tyler Oil Company to Cline Production Company, and to determine if the proposed plugging and reclamation bond coverage is adequate under § 82-11-123(5), MCA.	Withdrawn	Application continued, fax received 10/7/19. Cline posted an additional \$50,000 to cover wells. Application withdrawn.	<input type="checkbox"/>
127-2019	Pride Energy Company	Show Cause: why they should not have to provide a plan and timeline for the plugging of the BN 23-1 (API # 25-083-21609), BN 10X-23 (API # 25-083-21644), BN 23-1X (API # 25-083-21794), and E. Sundsted 1 (API # 25-091-21576) wells.			<input type="checkbox"/>
128-2019	Carrell Oil Company Dbaco	Show Cause: why penalties should not be imposed for failure to maintain mechanical integrity for the Fifer 3 (API # 25-069-05141) and the Govt. 4 (API # 25-033-05028) enhanced oil recovery wells.			<input type="checkbox"/>
129-2019	Zeiders Bros. Oil & Gas Company, L.L.C.	Show Cause: why it should not immediately plug and abandon its Rudolph Haynie 1-5 well, API # 25-055-21207, located in the SE¼NE¼ of Section 5, T22N-R47E, McCone County, Montana and why additional penalties should not be assessed.			<input type="checkbox"/>

130-2019	PARMT LLC	Show Cause: why it should not immediately plug and abandon the Guenther 2-8 well, located in the SW¼NE¼ of Section 8, T33N-R58E, Sheridan County, Montana and why additional penalties should not be assessed.			<input type="checkbox"/>
131-2019	Black Gold Energy Resource Development, LLC	Show Cause: why field violations remain at its Indian Mound 1 SWD (API # 25-083-21377) well located in the NE¼SW¼SW¼ of Section 15, T23N-R55E, Richland County, Montana.			<input type="checkbox"/>
132-2019	Grassy Butte LLC	Show Cause: why it should not provide an approved plan to plug and abandon the Kesterson #5 saltwater disposal well (API # 25-087-21488) by the December 5, 2019, public hearing.			<input type="checkbox"/>
76-2019	Summit Gas Resources, Inc.	Show Cause: why it should not be required to plug and abandon the Visborg 22-0841 11SA well, API # 25-003-22690, located in the NE¼SW¼ of Section 22, T8S-R41E prior to the December 5, 2019, public hearing.	Dismissed		<input type="checkbox"/>
77-2019	Cline Production Company	Show Cause: why penalties should not be imposed for failure to maintain mechanical integrity for the Kincheloe 3X-30 (API # 25-087-21285) enhanced oil recovery injection well.			<input type="checkbox"/>
78-2019	A & G Oil & Gas	Show Cause: why its plugging and reclamation bond should not be forfeited for failure to begin to plug and abandon the Normont 1 well, API # 25-101-23443, Rossmiller 3 well, API # 25-101-23440, and Mullady 11-30 well, API # 25-101-22933, as required by Board Order 22-2019, in accordance with § 82-11-123(5), MCA.	Dismissed	<i>Wells plugged & released.</i>	<input type="checkbox"/>
111-2019	TOI Operating	Show Cause: its progress to plug and abandon its Moerman 14-30 well, API # 25-109-21053, located in the SW¼SW¼ of Section 30, T18N-R59E, Wibaux County, Montana and its future plans for the MT Ag. Sta. 28-41., located in the NE¼NE¼ of Section 28, T23N-R59E, Richland County, Montana and the Theil 14-23 located in the NE¼SW¼ of Section 14, T22N-R59E, Richland County, Montana.			<input type="checkbox"/>
113-2019	Bensun Energy, LLC	Show Cause: why it should not begin to plug and abandon or transfer its wells prior to the October 10, 2019, public hearing. The failure to begin to plug and abandon or transfer the wells as required by Board Order 77-2019 may result in forfeiture of the plugging and reclamation bond in its entirety, as permitted by § 82-11-123(5), MCA.			<input type="checkbox"/>

GAS FLARING

December 4, 2019

Company	Wells Flaring over 100	Wells Flaring over 100 w/o Exception	Current Exceptions (over 100)	Exception Requests	Wells over 100 Hooked to Pipeline
Kraken	8	8	0	8	0
Petro-Hunt	3	0	3	0	0
Whiting	3	0	3	0	0
Totals	14	8	6	8	0

Flaring Requests

Summary

There are 14 wells flaring over 100 MCFG per day based on current production numbers.

6 of the 14 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There are 8 exceptions requested at this time.

Kraken –

Fletch 5-8 #2H – API #25-083-23359, 26N-59E-32

1. Flaring 1224 MCF/D.
2. Completed: 6/2019.
3. Estimated gas reserves: 399 MMCF.
4. Flaring alternatives: Installed mobile NGL recovery units (MRU) on this well. In the month of June, the MRU processed 342 MCF/day of gas from this well.
5. Amount of gas used in lease operations: 6 MCF/D.
6. Justification to flare: Contracted with ONEOK Rockies Midstream. Well would be routed to the Yellowstone compressor station in Richland County, however, the compressor station is currently at full capacity.

Fletch 5-8 #3H – API #25-083-23360, 26N-59E-32

1. Flaring 1296 MCF/D.
2. Completed: 6/2019.
3. Estimated gas reserves: 452 MMCF.
4. Flaring alternatives: Installed mobile NGL recovery units (MRU) on this well. In the month of June, the MRU processed 367 MCF/day of gas from this well.
5. Amount of gas used in lease operations: 6 MCF/D.
6. Justification to flare: Contracted with ONEOK Rockies Midstream. Well would be routed to the Yellowstone compressor station in Richland County, however, the compressor station is currently at full capacity.

Fletch 5-8 #4H – API #25-083-23361, 26N-59E-32

1. Flaring 1375 MCF/D.
2. Completed: 6/2019.
3. Estimated gas reserves: 452 MMCF.
4. Flaring alternatives: Installed mobile NGL recovery units (MRU) on this well. In the month of June, the MRU processed 372 MCF/day of gas from this well.
5. Amount of gas used in lease operations: 6 MCF/D.
6. Justification to flare: Contracted with ONEOK Rockies Midstream. Well would be routed to the Yellowstone compressor station in Richland County, however, the compressor station is currently at full capacity.

Fletch 5-8 #5H – API #25-083-23362, 26N-59E-32

1. Flaring 1232 MCF/D.
2. Completed: 6/2019.
3. Estimated gas reserves: 382 MMCF.
4. Flaring alternatives: Installed mobile NGL recovery units (MRU) on this well. In the month of June, the MRU processed 349 MCF/day of gas from this well.
5. Amount of gas used in lease operations: 6 MCF/D.
6. Justification to flare: Contracted with ONEOK Rockies Midstream. Well would be routed to the Yellowstone compressor station in Richland County, however, the compressor station is currently at full capacity.

Eagle 4-9 #3H – API #25-083-23355, 25N-59E-4

1. Flaring 1383 MCF/D.
2. Completed: 3/2019.
3. Estimated gas reserves: 342 MMCF.
4. Flaring alternatives: Installed mobile NGL recovery units (MRU) on this well. In the month of June, the MRU processed 351 MCF/day of gas from this well.
5. Amount of gas used in lease operations: 6 MCF/D.
6. Justification to flare: Contracted with ONEOK Rockies Midstream. Well would be routed to the Yellowstone compressor station in Richland County, however, the compressor station is currently at full capacity.

Eagle 4-9 #4H – API #25-083-23356, 25N-59E-4

1. Flaring 1497 MCF/D.
2. Completed: 3/2019.
3. Estimated gas reserves: 394 MMCF.
4. Flaring alternatives: Installed mobile NGL recovery units (MRU) on this well. In the month of June, the MRU processed 384 MCF/day of gas from this well.
5. Amount of gas used in lease operations: 6 MCF/D.
6. Justification to flare: Contracted with ONEOK Rockies Midstream. Well would be routed to the Yellowstone compressor station in Richland County, however, the compressor station is currently at full capacity.

Eagle 4-9 #5H – API #25-083-23357, 25N-59E-4

1. Flaring 1586 MCF/D.
2. Completed: 3/2019.
3. Estimated gas reserves: 446 MMCF.
4. Flaring alternatives: Installed mobile NGL recovery units (MRU) on this well. In the month of June, the MRU processed 408 MCF/day of gas from this well.
5. Amount of gas used in lease operations: 6 MCF/D.
6. Justification to flare: Contracted with ONEOK Rockies Midstream. Well would be routed to the Yellowstone compressor station in Richland County, however, the compressor station is currently at full capacity.

Eagle 4-9 #6H - API #25-083-23358, 25N-59E-4

1. Flaring 1827 MCF/D.
2. Completed: 3/2019.
3. Estimated gas reserves: 446 MMCF.
4. Flaring alternatives: Installed mobile NGL recovery units (MRU) on this well. In the month of June, the MRU processed 468 MCF/day of gas from this well.
5. Amount of gas used in lease operations: 6 MCF/D.
6. Justification to flare: Contracted with ONEOK Rockies Midstream. Well would be routed to the Yellowstone compressor station in Richland County, however, the compressor station is currently at full capacity.

SOMONT OIL CO., INC.
16126 Chasemore Drive
Spring, TX 77379
281-251-4398
somontoil@gmail.com

1 November 2019

Wayne A. Gillespie
P.O. Box 109
Kevin, MT 59454

Re: Notice being sent to surface owners and/or surface lessees on oil leases that Somont operates on which water evaporation pits are currently fenced – for Wayne Gillespie including but not limited to Page 56, Fryberger, Van Note, Engstrom, and Goedertz leases

Dear Mr. Gillespie:

Most of you are presumably aware of the recent court case in which we were held liable for damage caused to cattle when they trespassed on our property because it was not established that the fence surrounding our water evaporation pit was a legal fence at the time of the incident. Ironically, it was made clear by the Court that since it was our fence, we were responsible to maintain it and that if we did not have a fence in place, we may not have been liable.

This being the case, we no longer plan to fence our water pits unless legally required to do so under the terms of the lease. Before removing the fences, we are offering them to you with the understanding that if you accept them, they will belong to you and we will have no further responsibility or liability for their maintenance.

If you want to keep any of our fences around the evaporation pits on your pastures, please sign and return a copy of this letter to our Oilmont Office in the next 30 days (92 Oilmont Highway; Oilmont, MT 59466 – phone 406-337-3310). If we do not hear back from you before then, we will be removing the fences as our schedule permits.

Very truly yours,

Somont Oil Co., Inc.


Charles Jansky

President

I want to keep the existing fences around the evaporation pits on my pasture(s) and will accept responsibility and liability for the condition of the fences.

Printed Name

Date

Signature