

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO AMEND BOARD ORDER 17-2011 AND 69-2017 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 16 AND 21, 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 SUCH WELLS MUST BE 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.

ORDER 9-2020

Docket No. 11-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
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 17-2011 and 69-2017.
3. Evidence presented at the time of the hearing supports the drilling of up to four horizontal Bakken/Three Forks interval wells in Sections 16 and 21, T28N-R58E, Roosevelt County, Montana.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

BOARD ORDER NO. 9-2020

Order

IT IS THEREFORE ORDERED by the Board that Order 17-2011 and 69-2011 are amended to authorize the drilling of up to four horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 16 and 21, T28N-R58E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof, provided that operations for the drilling of said well be commenced within one year of the date of this order.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 1, 12, AND 13, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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.

ORDER 10-2020

Docket No. 16-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
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 all of Sections 1, 12 and 13, T26N-R59E, Richland and Roosevelt Counties, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit 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 be commenced within one year of the date of this order.

IT IS FURTHER ORDERED that applicant must apply for permanent spacing within 90 days of successful well completion.

BOARD ORDER NO. 10-2020

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.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 AUTHORIZE THE DRILLING OF AN ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 1, 12, AND 13, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 11-2020

Docket No. 17-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
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 10-2020.
3. Evidence presented at the time of the hearing supports the drilling of an additional horizontal Bakken/Three Forks interval well in Sections 1, 12, and 13, T26N-R59E, Richland and Roosevelt Counties, Montana.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken Oil & Gas LLC is authorized to drill an additional horizontal Bakken/Three Forks Formation well in the temporary spacing unit comprised of all of Sections 1, 12, and 13, T26N-R59E, Richland and Roosevelt Counties, Montana, said well is to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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. 11-2020

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 VACATE BOARD ORDERS 25-2015 AND 181-2015 AND TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 23, 24, 25, AND 26, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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.

ORDER 12-2020

Docket No. 18-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.

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 Order 25-2015 and 181-2015 are vacated and that all of Sections 23, 24, 25, and 26, T26N-R59E, Richland and Roosevelt Counties, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit 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 be commenced within one year of the date of this order.

IT IS FURTHER ORDERED that applicant must apply for permanent spacing within 90 days of successful well completion.

BOARD ORDER NO. 12-2020

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.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 AUTHORIZE THE DRILLING OF UP TO SIX ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 23, 24, 25, AND 26, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 13-2020

Docket No. 19-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
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 12-2020.
3. Evidence presented at the time of the hearing supports the drilling of up to six additional horizontal Bakken/Three Forks interval wells in Sections 23, 24, 25, and 26, T26N-R59E, Richland and Roosevelt Counties, Montana.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken Oil & Gas LLC is authorized to drill up to six additional horizontal Bakken/Three Forks Formation wells in the temporary spacing unit comprised of all of Sections 23, 24, 25, and 26, T26N-R59E, Richland and Roosevelt Counties, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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. 13-2020

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4, 9, AND 16, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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. APPLICANT FURTHER REQUESTS THAT BOARD ORDER 76-2018 BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE KAI 16-9 #1H WELL.

ORDER 14-2020

Docket No. 20-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
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 all of Sections 4, 9, and 16, T26N-R59E, Richland and Roosevelt Counties, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit 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 be commenced within one year of the date of this order.

BOARD ORDER NO. 14-2020

IT IS FURTHER ORDERED that applicant must apply for permanent spacing within 90 days of successful well completion.

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.

IT IS FURTHER ORDERED that the spacing unit established by Board Order 76-2018 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of the Kai 16-9 #1 well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 AUTHORIZE THE DRILLING OF UP TO TWO ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4, 9, AND 16, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 15-2020

Docket No. 21-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
2. The lands described in the caption were designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 14-2020.
3. Evidence presented at the time of the hearing supports the drilling of up to two additional horizontal Bakken/Three Forks interval wells in Sections 4, 9, and 16, T26N-R59E, Richland and Roosevelt Counties, Montana.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken Oil & Gas LLC is authorized to drill up to two additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 4, 9, and 16, T26N-R59E, Richland and Roosevelt Counties, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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. 15-2020

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5, 8, AND 17, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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. APPLICANT FURTHER REQUESTS THAT BOARD ORDER 80-2018 BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE ROWIN 17-8 #1H WELL.

ORDER 16-2020

Docket No. 22-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
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 all of Sections 5, 8, and 17, T26N-R59E, Richland and Roosevelt Counties, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit 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 be commenced within one year of the date of this order.

BOARD ORDER NO. 16-2020

IT IS FURTHER ORDERED that applicant must apply for permanent spacing within 90 days of successful well completion.

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.

IT IS FURTHER ORDERED that the spacing unit established by Board Order 80-2018 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of the Rowin 17-8 #1 well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 AUTHORIZE THE DRILLING OF UP TO TWO ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5, 8, AND 17, T26N-R59E, RICHLAND AND ROOSEVELT COUNTIES, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 17-2020

Docket No. 23-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
2. The lands described in the caption were designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 16-2020.
3. Evidence presented at the time of the hearing supports the drilling of up to two additional horizontal Bakken/Three Forks interval wells in Sections 5, 8, and 17, T26N-R59E, Richland and Roosevelt Counties, Montana.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken Oil & Gas LLC is authorized to drill up to two additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 5, 8, and 17, T26N-R59E, Richland and Roosevelt Counties, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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. 17-2020

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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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 VACATE BOARD ORDERS 25-2015 AND 181-2015 AND TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 22, 27, AND 34, T26N-R59E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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. APPLICANT FURTHER REQUESTS THAT BOARD ORDER 113-2015 BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE LYSEMOSE 33-34 #1H WELL.

ORDER 18-2020

Docket No. 24-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
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 all of Sections 22, 27, and 34, T26N-R59E, Richland County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit 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 be commenced within one year of the date of this order.

BOARD ORDER NO. 18-2020

IT IS FURTHER ORDERED that applicant must apply for permanent spacing within 90 days of successful well completion.

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.

IT IS FURTHER ORDERED that the spacing unit established by Board Order 113-2015 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of the Lysemose 33-34 #1 well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 22, 27, AND 34, T26N-R59E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 19-2020

Docket No. 25-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
2. The lands described in the caption were designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 18-2020.
3. Evidence presented at the time of the hearing supports the drilling of up to three additional horizontal Bakken/Three Forks interval wells in Sections 22, 27, and 34, T26N-R59E, Richland County, Montana.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken Oil & Gas LLC is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 22, 27, and 34, T26N-R59E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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. 19-2020

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 21, 28, AND 33, T26N-R59E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT 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. APPLICANT FURTHER REQUESTS THAT BOARD ORDER 78-2018 BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE DAGNEY 21-28 #1H WELL AND THAT BOARD ORDER 113-2015 BE AMENDED TO CLARIFY THAT SAID ORDER IS LIMITED TO OIL AND ASSOCIATED NATURAL GAS PRODUCED FROM THE BAKKEN/THREE FORKS FORMATION FROM THE LYSEMOSE 33-34 #1H WELL.

ORDER 20-2020

Docket No. 26-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
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 all of Sections 21, 28, and 33, T26N-R59E, Richland County, Montana, is designated an overlapping temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well anywhere within said temporary spacing unit 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 be commenced within one year of the date of this order.

BOARD ORDER NO. 20-2020

IT IS FURTHER ORDERED that applicant must apply for permanent spacing within 90 days of successful well completion.

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.

IT IS FURTHER ORDERED that the spacing unit established by Board Order 78-2018 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of the Dagny 21-28 #1 well, and the spacing unit established by Board Order 113-2015 is limited to only oil and associated natural gas produced from the Bakken/Three Forks Formation through the wellbore of the Lysemose 33-34 #1 well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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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 AUTHORIZE THE DRILLING OF UP TO TWO ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 21, 28, AND 33, T26N-R59E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 21-2020

Docket No. 27-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
2. The lands described in the caption were designated an overlapping temporary spacing unit for production from the Bakken/Three Forks interval by Montana Board of Oil and Gas Conservation Order 20-2020.
3. Evidence presented at the time of the hearing supports the drilling of up to two additional horizontal Bakken/Three Forks interval wells in Sections 21, 28, and 33, T26N-R59E, Richland County, Montana.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that the applicant demonstrated the requirements of § 82-11-201, MCA have been met.

Order

IT IS THEREFORE ORDERED by the Board that Kraken Oil & Gas LLC is authorized to drill up to two additional horizontal Bakken/Three Forks Formation wells in the overlapping temporary spacing unit comprised of all of Sections 21, 28, and 33, T26N-R59E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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. 21-2020

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF PETRO-HUNT, LLC TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF LOTS 6, 7, E½SW¼ OF SECTION 6 AND LOTS 1, 2, E½NW¼ OF SECTION 7, T15N-R55E, DAWSON COUNTY, MONTANA, TO DRILL A RED RIVER FORMATION TEST WELL AT ANY LOCATION NOT CLOSER THAN 660' FROM THE EXTERIOR BOUNDARIES THEREOF, AS AN EXCEPTION TO A.R.M. 36.22.702. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL WELL COMPLETION.

ORDER 23-2020

Docket No. 28-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.

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 Lots 6, 7, E½SW¼ of Section 6 and Lots 1, 2, E½NW¼ of Section 7, T15N-R55E, Dawson County, Montana, is designated a temporary spacing unit to drill a Red River Formation test well at any location but not closer than 660' to the exterior boundaries thereof as an exception to A.R.M. 36.22.702.

IT IS FURTHER ORDERED that applicant must apply for permanent spacing within 90 days of successful well completion.

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. 23-2020

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF BIG SKY ENERGY, LLC, TO  
CONVERT THE CHAPMAN 13-2 WELL (API #25-009-21165)  
LOCATED IN THE SW¼SW¼ OF SECTION 2, T7S-R21E, CARBON  
COUNTY, MONTANA (DRY CREEK FIELD) TO SALTWATER  
DISPOSAL IN THE 3<sup>RD</sup> FRONTIER FORMATION AT A DEPTH OF  
APPROXIMATELY 4,980-4,990 FT.

ORDER 22-2020

Docket No. 29-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.

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 Big Sky Energy, LLC is granted as applied for subject to stipulations on the sundry notice.

BOARD ORDER NO. 22-2020

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

\_\_\_\_\_  
Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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Jennifer Breton, Program Specialist

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

UPON THE APPLICATION OF BRISCOE PETROLEUM, LLC TO  
VACATE BOARD ORDER 11-2019 WHICH CREATED THE  
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.

ORDER 24-2020

Docket No. 30-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
2. John Lee, attorney, appeared on behalf of Briscoe Petroleum, LLC (Briscoe).
3. Briscoe operates the Baseline 1 well in the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 28, T1N-R34E. Briscoe testified it plans to temporarily abandon the Baseline 1 well and will not produce it from the Amsden formation without further authorization from the Board.
4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

Order

IT IS THEREFORE ORDERED by the Board that Board Order 11-2019 is hereby vacated.

BOARD ORDER NO. 24-2020

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

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Corey Welter, Board Member

ATTEST:

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Jennifer Breton, Program Specialist

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

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 TAQA USA, INC. TO D90 ENERGY, LLC, AND TO DETERMINE IF THE PROPOSED PLUGGING AND RECLAMATION BOND COVERAGE IS ADEQUATE UNDER § 82-11-123(5), MCA.

ORDER 25-2020

Docket No. 31-2020

Report of the Board

The above entitled cause came on regularly for hearing on April 30, 2020, 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, their attorneys, and interested persons were afforded the opportunity to present testimony and evidence at the hearing either in person or, because of the Covid-19 pandemic, via teleconference.
2. Uriah Price, attorney, appeared in person, and Daniel Silverman, founder and primary owner, and Bradley Morse, Manger of Production Energy Partners, LLC (PEP), telephoned in on behalf of D90 Energy, LLC (D90).
3. PEP has a contract operating agreement whereby D90 operates the acquired assets on behalf of PEP. PEP testified that as the owner of the assets, it would agree to remain responsible for plugging and abandonment liabilities under § 82-11-123(5), MCA.
4. The Board and its staff reviewed D90's change of operator request from TAQA USA, Inc. (TAQA).
5. D90 proposed a \$369,750 UIC plugging and reclamation bond that would cover 35 injection wells and a \$50,000 multiple well plugging and reclamation bond that would cover 162 wells, which includes 51 producing wells and 111 shut-in wells.
6. Due to the number of shut-in wells on the proposed multiple well bond and the potential for significant future plugging liability, the Board discussed doubling the \$50,000 multiple well bond, in accordance with ARM 36.22.1308(3). The multiple well bonding would amount to \$100,000 to cover the 162 producing wells.
7. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board concludes that taking the following action is appropriate.

BOARD ORDER NO. 25-2020

Order

IT IS THEREFORE ORDERED by the Board that D90 must increase its multiple well plugging and reclamation bond to \$100,000.

IT IS FURTHER ORDERED that staff may proceed with administrative review and approval of the change of operator request upon the receipt of the increased multiple well bond.

IT IS FURTHER ORDERED that D90 must appear at the December 2, 2020, business meeting and provide the Board a summary of its plugging and reclamation plans for its non-producing wells.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 30<sup>th</sup> day of April, 2020.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

\_\_\_\_\_  
Steven Durrett, Chairman

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Paul Gatzemeier, Vice-Chairman

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Mac McDermott, Board Member

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Linda Nelson, Board Member

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Dennis Trudell, Board Member

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Joseph Michael Weber, Board Member

\_\_\_\_\_  
Corey Welter, Board Member

ATTEST:

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Jennifer Breton, Program Specialist