

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

UPON THE BOARD'S OWN MOTION TO REQUIRE MIOCENE OIL COMPANY TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD NOT BE FORFEITED FOR FAILURE TO BEGIN TO PLUG AND ABANDON ITS SUMMER NIGHT 21-1 WELL LOCATED IN T33N-R48E, SECTION 21, DANIELS COUNTY, MONTANA AS REQUIRED BY BOARD ORDER 188-2015, IN ACCORDANCE WITH § 82-11-123(5), MCA.

ORDER 1-2016

Docket No. 1-2016

Report of the Board

The above entitled cause came on regularly for hearing on February 11, 2016 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 and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Miocene Oil Company (Miocene).
3. Staff recommended that the plugging and reclamation bond of Miocene be forfeited for failure to begin to plug its Summer Night 21-1 well.
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 of Oil and Gas Conservation of the State of Montana concludes that respondent has not demonstrated that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the plugging and reclamation bond for Miocene Oil Company is hereby forfeited.

BOARD ORDER NO. 1-2016

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of February 2016.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Steven Durrett, Board Member

Ronald S. Efta, Board Member

Paul Gatzemeier, Board Member

John Evans, Board Member

Peggy Ames Nerud, Board Member

ATTEST:

Jennifer Rath, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE KELLY OIL AND GAS, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ITS PLUGGING AND RECLAMATION BOND SHOULD NOT BE FORFEITED FOR FAILURE TO BEGIN TO PLUG AND ABANDON ITS PRODUCING WELLS AS REQUIRED BY BOARD ORDER 189-2015, IN ACCORDANCE WITH § 82-11-123(5), MCA.

ORDER 2-2016

Docket No. 2-2016

Report of the Board

The above entitled cause came on regularly for hearing on February 11, 2016 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 and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Kelly Oil and Gas, LLC (Kelly).
3. Robert McSweyn, an owner of the unleased minerals under the Dybvik KV 1 well, appeared in support of the forfeiture of Kelly's bond.
4. Staff recommended that the plugging and reclamation bonds for Kelly's producing wells be forfeited for failure to begin to plug its wells.
5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that respondent has not demonstrated that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the plugging and reclamation bonds for Kelly Oil and Gas, LLC are hereby forfeited.

BOARD ORDER NO. 2-2016

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of February 2016.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Steven Durrett, Board Member

Ronald S. Efta, Board Member

Paul Gatzemeier, Board Member

John Evans, Board Member

Peggy Ames Nerud, Board Member

ATTEST:

Jennifer Rath, Program Specialist

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

UPON THE BOARD'S OWN MOTION TO REQUIRE STEALTH ENERGY USA, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING, FOR FAILURE TO FILE REPORTS, AND FOR FAILURE TO PAY THE \$1,000 FINE ASSESSED FOR NOT APPEARING AT THE BOARD'S DECEMBER 10TH, 2015 PUBLIC HEARING.

ORDER 3-2016

Docket No. 3-2016

Report of the Board

The above entitled cause came on regularly for hearing on February 11, 2016 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 and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. No one appeared on behalf of Stealth Energy USA, Inc. (Stealth).
3. Stealth has not paid the outstanding fine in the amount of \$1,160 and has not filed delinquent production reports.
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 of Oil and Gas Conservation of the State of Montana concludes that respondent has not demonstrated that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Stealth Energy USA, Inc. appear at the April 7, 2016 public hearing and show-cause, if any it has, why it should not provide a plan and timeline for the plugging and abandonment of its wells.

BOARD ORDER NO. 3-2016

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 11th day of February 2016.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Steven Durrett, Board Member

Ronald S. Efta, Board Member

Paul Gatzemeier, Board Member

John Evans, Board Member

Peggy Ames Nerud, Board Member

ATTEST:

Jennifer Rath, Program Specialist