

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

IN THE MATTER OF THE APPLICATION OF HEADINGTON
OIL, LIMITED PARTNERSHIP TO PRODUCE OIL AND
ASSOCIATED GAS FROM THE DUPEROW FORMATION
THROUGH ITS BAKKEN #22-2 WELL IN THE N½ OF
SECTION 2, T21N-R58E, RICHLAND COUNTY, MONTANA,
AS AN EXCEPTION TO THE CRANE FIELD RULES.

ORDER NO. 81-2000

Docket No. 85-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. Applicant recently recompleted its Bakken #22-2 well in the NW¼ of Section 2, T21N-R58E, Richland County, Montana, as a commercial producer of oil and associated natural gas from the Duperow Formation. Production of Duperow Formation reserves from the wellbore of this well does not comply with the Crane Field rules established by Board Order 40-79, in that applicant's Bakken #32-2 well located in the SWNE of said Section 2 is also completed in and producing from the Duperow Formation.
3. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant may produce oil and associated natural gas from the Duperow Formation from its Bakken #22-2 well as an exception to the Crane Field rules established by Board Order 40-79.

BOARD ORDER NO. 81-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DRILL AN ADDITIONAL RED RIVER FORMATION WELL IN THE S½ OF SECTION 2, T21N-R58E, RICHLAND COUNTY, MONTANA, AS AN EXCEPTION TO THE CRANE FIELD RULES ESTABLISHED BY BOARD ORDER 40-79. ORDER NO. 82-2000

Docket No. 86-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that the existing Red River Formation well in the NESW of Section 2, T21N-R58E, Richland County, Montana, is incapable of efficiently and economically draining the Red River Formation reserves from the entire spacing unit. Allowing applicant to drill a second well at the location hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Headington Oil, Limited Partnership is authorized to drill its Bakken-Larson #34X-2 well in the SWSE of said Section 2, T21N-R58E, Richland County, Montana, at a location not closer than 660 feet to the spacing unit boundary with a 75 foot tolerance in any direction for topographic reasons.

BOARD ORDER NO. 82-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF HEADINGTON
OIL, LIMITED PARTNERSHIP TO DESIGNATE THE W½ OF
SECTION 3, T29N-R58E, ROOSEVELT COUNTY, MONTANA,
AS A PERMANENT SPACING UNIT FOR THE PRODUCTION
OF OIL AND ASSOCIATED GAS FROM THE RATCLIFFE
FORMATION AND TO DESIGNATE ITS CRUSCH #22X-3
WELL AS THE PERMANENT WELL FOR SAID SPACING UNIT.
[TARGET FIELD]

ORDER NO. 83-2000

Docket No. 87-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. Applicant has completed its Crusch #22X-3 well as a commercial producer of oil and associated gas from the Ratcliffe Formation underlying the W½ of Section 3, T29N-R58E, Roosevelt County, Montana.
3. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the W½ of Section 3, T29N-R58E, Roosevelt County, Montana, is designated as a permanent spacing unit for the production of oil and associated natural gas from the Ratcliffe Formation.

IT IS FURTHER ORDERED that applicant's Crusch #22X-3 well is designated as the permitted well for production from said formation within the permanent spacing unit.

BOARD ORDER NO. 83-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DESIGNATE THE SE¹/₄ OF SECTION 35 AND THE SW¹/₄ OF SECTION 36, T22N-R58E, RICHLAND COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR THE PRODUCTION OF OIL AND ASSOCIATED GAS FROM THE DUPEROW AND MISSION CANYON FORMATIONS AND TO DESIGNATE THE ATCHISON-STATE #44X-35 WELL AS THE PERMITTED WELL FROM SAID FORMATIONS WITHIN THE PERMANENT SPACING UNIT. [CRANE FIELD (MADISON-DUPEROW)]

ORDER NO. 84-2000

Docket No. 88-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. Applicant's Atchison-State #44X-35 well has been completed in and is producing from the Duperow and Mission Canyon Formations underlying said lands.
3. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the SE¹/₄ of Section 35 and the SW¹/₄ of Section 36, T22N-R58E, Richland County, Montana, are designated as a permanent spacing unit for the production of oil and associated natural gas from the Duperow and Mission Canyon Formations.

IT IS FURTHER ORDERED that the Atchison-State #44X-35 well is designated as the permitted well for production from said formations within the permanent spacing unit.

BOARD ORDER NO. 84-2000

IT IS FURTHER ORDERED that this order does not apply to federal lands until the operator has submitted and received approval of a communitization agreement from the appropriate federal agency.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF FLYING J
OIL & GAS INC. FOR A CLASS II SALTWATER
DISPOSAL PERMIT FOR ITS VAIRA B-1 WELL IN
THE NENE OF SECTION 35, T25N-R54E, RICHLAND
COUNTY, MONTANA.

ORDER NO. 85-2000

Docket No. 89-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The proposed injection well will inject produced water from the Dawson Bay Formation into the Dakota Formation from 4987 feet to 5184 feet and the Lakota Formation from 5230 feet to 5396 feet.
3. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Flying J Oil & Gas Inc. is granted permission to inject produced water from the Dawson Bay Formation into the Dakota and Lakota Formations at the depths set forth in Finding of Fact number two subject to the following conditions:

1. Injection pressure is limited to 1118 psig at the surface.
2. A successful mechanical integrity test must be performed prior to injecting.
3. Injection volume is limited to 20.5 million barrels over the life of the well.
4. An injection well bond must be obtained prior to injecting.
5. The cement squeeze operation on the production casing must show an adequate amount of cement above and below the injection zones.

BOARD ORDER NO. 85-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF BOWERS OIL
AND GAS, INC. TO AMEND BOARD ORDER 77-2000 TO
WAIVE THE NOTICE REQUIREMENT OF ARM 36.22.601
FOR DRILLING PERMITS IN THE SOUTH PLEVNA FIELD
ESTABLISHED BY BOARD ORDER 77-2000.

ORDER NO. 86-2000

Docket No. 91-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the notice requirement of ARM 36.22.601 for drilling permits in the South Plevna Field established by Board Order 77-2000 is waived.

BOARD ORDER NO. 86-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF BERCO
RESOURCES, LLC TO AMEND THE LONETREE CREEK
FIELD RULES ESTABLISHED BY BOARD ORDERS 29-72
AND 50-95 TO INCLUDE THE INTERLAKE FORMATION
FOR THE EXISTING 320 ACRE SPACING UNITS CONSISTING
OF THE E½ AND W½ OF SECTION 9, T24N-R57E, RICHLAND
COUNTY, MONTANA, AND TO PERMIT THE COMMINGLING
OF RED RIVER AND INTERLAKE PRODUCTION IN THE
PERMITTED WELLS IN SAID SPACING UNIT.

ORDER NO. 87-2000

Docket No. 94-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. Applicant is the operator in the lands which are the subject matter of this application. By its Orders 29-72 and 50-95, this Board designated the E½ of Section 9, T24N-R57E and the W½ of Section 9, T24N-R57E, Richland County, Montana, as 320 acre permanent spacing units for the Red River Formation and permitted the drilling of a second Red River well in the E½ of said Section 9. Applicant has established by production testing that the Interlake Formation underlying the above-described spacing units is also capable of production of oil and associated gas in commercial quantities.
3. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the E½ of Section 9, T24N-R57E and the W½ of Section 9, T24N-R57E, Richland County, Montana, are designated as 320 acre permanent spacing units for the Interlake Formation.

IT IS FURTHER ORDERED that the Simonsen C 1-9 well and the Simonsen C 2-9 well are designated as the permitted Interlake wells in the said spacing units.

IT IS FURTHER ORDERED that the Interlake and Red River production may be commingled in the permitted wells at the discretion of the operator.

BOARD ORDER NO. 87-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF MACUM ENERGY, INC ORDER NO. 88-2000
TO DRILL A TYLER FORMATION TEST WELL IN THE SWSE OF
SECTION 26, T16N-R38E, GARFIELD COUNTY, MONTANA, AT
A LOCATION 2375 FEL AND 1116 FSL AS AN EXCEPTION TO
ARM 36.22.702 WITH A 75 FOOT TOLERANCE FOR TOPOGRAPHIC
REASONS.

Docket No. 95-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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 the outset of the hearing Board member Jack King recused himself and took no further part in the deliberations concerning this application. Board member Allen Kolstad was not present for the hearing on this matter. 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. Applicant desires to drill a Tyler Formation oil test well at a depth of approximately 5300 feet in a temporary spacing unit consisting of the SWSE of Section 26, T16N-R38E, Garfield County, Montana. The evidence indicates that the topography of the area is such that the well cannot be located at a site in conformance with ARM 36.22.702.
3. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant is authorized to drill a Tyler Formation oil test well at a depth of approximately 5300 feet in a temporary spacing unit consisting of the SWSE of Section 26, T16N-R38E, Garfield County, Montana, at a location 2375 FEL and 1116 FSL of said Section 26 with a 75 foot tolerance for topographic reasons.

BOARD ORDER NO. 88-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF MISSOURI
RIVER ROYALTY CORPORATION TO DESIGNATE THE
E½ OF SECTION 28, T28N-R58E, ROOSEVELT COUNTY,
MONTANA, AS THE SPACING UNIT FOR PRODUCTION
FROM THE MISSION CANYON FORMATION AND TO
DESIGNATE THE LEO ROBINSON NO. 28-10 WELL
AS THE PERMITTED WELL FOR SAID SPACING UNIT.
[BAINVILLE FIELD (MADISON)]

ORDER NO. 89-2000

Docket No. 110-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Jack King recused himself and took no further part in the deliberations concerning this matter. Board member Allen Kolstad was not present for the hearing on this matter. 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. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the E½ of Section 28, T28N-R58E, Roosevelt County, Montana, is designated as the spacing unit for production from the Mission Canyon Formation.

IT IS FURTHER ORDERED that applicant's Leo Robinson No. 28-10 well in the NWSE of said Section 28 is designated as the permitted well for said spacing unit.

BOARD ORDER NO. 89-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL THREE ADDITIONAL EAGLE
SAND FORMATION GAS WELLS WITHIN SECTION 20,
T27N-R19E, BLAINE COUNTY, MONTANA, AS AN EXCEPTION
TO THE SAWTOOTH MOUNTAIN FIELD RULES ESTABLISHED
BY BOARD ORDER 45-76.

ORDER NO. 90-2000

Docket No. 96-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. Applicant seeks permission to drill three additional Eagle Sand Formation gas wells on a quarter section basis within Section 20, T27N-R19E, Blaine County, Montana, with 990 foot setbacks from the section line with a 100 foot tolerance in any direction for topographic or geologic reasons.
3. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana applicant may drill three additional Eagle Sand Formation gas wells on a quarter section basis within Section 20, T27N-R19E, Blaine County, Montana, as an exception to the Sawtooth Mountain Field rules established by Board Order 45-76.

IT IS FURTHER ORDERED that said wells be not closer than 990 feet to the exterior boundaries of the section with a 100 foot tolerance for topographic reasons.

IT IS FURTHER ORDERED that applicant's request for a 100 foot tolerance in any direction for "geologic reasons" is denied in this and all subsequent Ocean Energy Resources, Inc. dockets because what may or may not constitute "geologic reasons" is too amorphous a concept for staff interpretation on any consistent basis.

BOARD ORDER NO. 90-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL AN ADDITIONAL EAGLE-VIRGELLE
GAS WELL 700 FNL AND 900 FEL IN SECTION 21, T27N-R17E,
CHOUTEAU COUNTY, MONTANA, AS AN EXCEPTION TO THE
BULLWACKER FIELD RULES ESTABLISHED BY BOARD
ORDER 26-74.

ORDER NO. 91-2000

Docket No. 97-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that an additional Eagle-Virgelle Formation gas well in Section 21, T27N-R17E, Chouteau County, Montana, is necessary to efficiently and economically drain the spacing unit.
3. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill an additional Eagle-Virgelle Formation gas well at a location 889 FNL and 1360 FEL in Section 21, T27N-R17E, Chouteau County, Montana, with a 75 foot tolerance in any direction for topographic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

IT IS FURTHER ORDERED that the request for a location tolerance for "geologic reasons" is denied.

BOARD ORDER NO. 91-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL AN ADDITIONAL EAGLE-VIRGELLE
FORMATION GAS WELL 700 FNL AND 2200 FEL IN SECTION 21,
T27N-R16E, CHOUTEAU COUNTY, MONTANA, AS AN EXCEPTION
TO THE BULLWACKER FIELD RULES ESTABLISHED BY BOARD
ORDER 26-74.

ORDER NO. 92-2000

Docket No. 98-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that drilling of the additional well requested is necessary to efficiently and economically produce the spacing unit.
3. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill an additional Eagle-Virgelle Formation gas well 802 FNL and 1767 FEL in Section 21, T27N-R16E, Chouteau County, Montana, with a 75 foot tolerance in any direction for topographic reasons as an exception to Board Order 26-74.

IT IS FURTHER ORDERED that the request for a location tolerance for "geologic reasons" is denied.

BOARD ORDER NO. 92-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL AN ADDITIONAL EAGLE-VIRGELLE
FORMATION GAS WELL IN THE S½ OF SECTION 21, T27N-R16E,
CHOUTEAU COUNTY, MONTANA, AS AN EXCEPTION TO THE
BULLWACKER FIELD RULES ESTABLISHED BY BOARD
ORDER 26-74.

ORDER NO. 93-2000

Docket No. 99-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that applicant should be authorized to drill an additional Eagle-Virgelle Formation gas well at a location 656 FSL and 993 FEL of Section 21, T27N-R16E, Chouteau County, Montana, with a 75 foot tolerance in any direction for topographic reasons.
3. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill an additional Eagle-Virgelle Formation gas well at a location 656 FSL and 993 FEL in Section 21, T27N-R16E, Chouteau County, Montana, with a 75 foot tolerance in any direction as an exception to the Bullwacker Field rules established by Board Order 26-74.

IT IS FURTHER ORDERED that a request for a location tolerance for "geologic reasons" is denied.

BOARD ORDER NO. 93-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL AN ADDITIONAL EAGLE-VIRGELLE
FORMATION GAS WELL 660 FNL AND 900 FWL IN SECTION 22,
T27N-R16E, CHOUTEAU COUNTY, MONTANA, AS AN EXCEPTION
TO THE BULLWACKER FIELD RULES ESTABLISHED BY BOARD
ORDERS 26-74 AND 52-99.

ORDER NO. 94-2000

Docket No. 100-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill an additional Eagle-Virgelle Formation gas well at a location 1124 FWL and 876 FNL in Section 22, T27N-R16E, Chouteau County, Montana, as an exception to the Bullwacker Field rules established by Board Orders 26-74 and 52-99.

IT IS FURTHER ORDERED that applicant is authorized a 125 foot tolerance in any direction for topographic reasons, but not for geologic reasons.

THE BOARD NOTES that applicant has agreed not to oppose any request by the leaseholder to the north to offset this well by crowding the section line to the same extent.

BOARD ORDER NO. 94-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL AN EAGLE SAND FORMATION GAS
WELL AT A LOCATION 864 FEL AND 818 FSL IN SECTION 20,
T27N-R18E, BLAINE COUNTY, MONTANA, AS AN EXCEPTION
TO ARM 36.22.702.

ORDER NO. 95-2000

Docket No. 101-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill an Eagle Sand Formation gas well at a location 864 FEL and 818 FSL in Section 20, T27N-R18E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographic, but not geologic, reasons as an exception to ARM 36.22.702.

IT IS FURTHER ORDERED that this order does not apply to federal lands until the operator has submitted and received approval of a communitization agreement from the appropriate federal agency.

BOARD ORDER NO. 95-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL THREE ADDITIONAL EAGLE SAND
FORMATION GAS WELLS ON A QUARTER SECTION BASIS
WITHIN SECTION 13, T27N-R19E, BLAINE COUNTY, MONTANA,
AS AN EXCEPTION TO THE SAWTOOTH MOUNTAIN FIELD
RULES ESTABLISHED BY BOARD ORDER 45-76.

ORDER NO. 96-2000

Docket No. 102-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill three additional Eagle Sand Formation gas wells on a quarter section basis within Section 13, T27N-R19E, Blaine County, Montana, as an exception to the Sawtooth Mountain Field rules established by Board Order 45-76.

IT IS FURTHER ORDERED that said wells shall be not closer than 990 feet to the section line with a 100 foot tolerance in any direction for topographic, but not geologic, reasons.

BOARD ORDER NO. 96-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL AN ADDITIONAL EAGLE SAND
FORMATION GAS WELL IN SECTION 17, T27N-R19E, BLAINE
COUNTY, MONTANA, AS AN EXCEPTION TO THE SAWTOOTH
MOUNTAIN FIELD RULES ESTABLISHED BY BOARD ORDER
45-76.

ORDER NO. 97-2000

Docket No. 103-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill an additional Eagle Sand Formation gas well 1282 FWL and 1127 FSL in Section 17, T27N-R19E, Blaine County, Montana, with a 100 foot tolerance in any direction for topographic, but not geologic, reasons as an exception to the Sawtooth Mountain Field rules established by Board Order 45-76.

BOARD ORDER NO. 97-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL ITS G. READ #11-6-27-18 WELL
AT A LOCATION 2669 FEL AND 2273 FNL IN SECTION 11,
T27N-R18E, BLAINE COUNTY, MONTANA, AS AN EXCEPTION
TO THE SAWTOOTH MOUNTAIN FIELD RULES ESTABLISHED
BY BOARD ORDERS 45-76 AND 68-98.

ORDER NO. 98-2000

Docket No. 104-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill its G. Read #11-6-27-18 well at a location 2634 FWL and 2273 FNL in Section 11, T27N-R18E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographic, but not geologic, reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 68-98.

BOARD ORDER NO. 98-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL ITS G. READ #11-13-27-18 WELL
AT A LOCATION 1108 FWL AND 990 FSL IN SECTION 11, T27N-
R18E, BLAINE COUNTY, MONTANA, AS AN EXCEPTION TO
BOARD ORDER 68-98.

ORDER NO. 99-2000

Docket No. 105-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill its G. Read #11-13-27-18 well at a location 1108 FWL and 990 FSL in Section 11, T27N-R18E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographic, but not geologic, reasons as an exception to Board Order 68-98.

BOARD ORDER NO. 99-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL ITS US #15-6-27-18 WELL AT A
LOCATION 1798 FNL AND 2518 FWL IN SECTION 15, T27N-R18E,
BLAINE COUNTY, MONTANA, AS AN EXCEPTION TO THE
SAWTOOTH MOUNTAIN FIELD RULES ESTABLISHED BY
BOARD 45-76 AND 21-99.

ORDER NO. 100-2000

Docket No. 106-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was absent for the proceedings. 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. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill its US #15-6-27-18 well at a location 1798 FNL and 2518 FWL in Section 15, T27N-R18E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographic, but not geologic, reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 21-99.

BOARD ORDER NO. 100-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL ITS US #15-11-27-18 WELL AT A
LOCATION 2201 FWL AND 1574 FSL IN SECTION 15, T27N-R18E,
BLAINE COUNTY, MONTANA, AS AN EXCEPTION TO THE
SAWTOOTH MOUNTAIN FIELD RULES ESTABLISHED BY
BOARD ORDER 21-99.

ORDER NO. 101-2000

Docket No. 107-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill its US #15-11-27-18 well at a location 2201 FWL and 1574 FSL in Section 15, T27N-R18E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographic, but not geologic, reasons as an exception to the Sawtooth Mountain Field rules established by Board Order 21-99.

BOARD ORDER NO. 101-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY
RESOURCES, INC. TO DRILL ITS MOORE #21-12-27-18 WELL
AT A LOCATION 660 FWL AND 1800 FSL IN SECTION 21,
T27N-R18E, BLAINE COUNTY, MONTANA, AS AN EXCEPTION
TO THE SAWTOOTH MOUNTAIN FIELD RULES ESTABLISHED
BY BOARD ORDERS 45-76 AND 23-99.

ORDER NO. 102-2000

Docket No. 108-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy Resources, Inc. is authorized to drill its Moore #21-12-27-18 well at a location 752 FWL and 1708 FSL in Section 21, T27N-R18E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographic, but not geologic, reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 23-99.

BOARD ORDER NO. 102-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF LUFF
EXPLORATION COMPANY TO DRILL A SECOND WELL
FOR ALL FORMATIONS WITHIN THE N½ OF SECTION 17,
T26N-R58E, RICHLAND COUNTY, MONTANA, AS AN
EXCEPTION TO THE NORTH SIOUX PASS FIELD RULES
ESTABLISHED BY BOARD ORDERS 12-75, 17-76 AND
8-79.

ORDER NO. 103-2000

Docket No. 111-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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 the outset of this hearing, Board member Jack King recused himself and took no further part in the deliberations concerning this matter. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Luff Exploration Company is authorized to drill a second well for all formations within the spacing unit comprised of the N½ of Section 17, T26N-R58E, Richland County, Montana, as an exception to the North Sioux Pass Field rules established by Board Orders 12-75, 17-76 and 8-79.

IT IS FURTHER ORDERED that said well may be located anywhere within the spacing unit but not closer than 660 feet to the unit boundaries.

IT IS FURTHER ORDERED that no minimum distance between the second well and the existing well is required.

BOARD ORDER NO. 103-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF LUFF
EXPLORATION COMPANY TO DRILL A SECOND WELL
TO ALL FORMATIONS WITHIN THE SPACING UNIT
COMPRISED OF THE S½ OF SECTION 1, T26N-R57E,
RICHLAND COUNTY, MONTANA, AS AN EXCEPTION
TO THE NORTH SIOUX PASS FIELD RULES ESTABLISHED
BY BOARD ORDERS 12-75, 17-76 AND 8-79.

ORDER NO. 104-2000

Docket No. 112-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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 the outset of this hearing, Board member Jack King recused himself and took no further part in the deliberations concerning this matter. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Luff Exploration Company is authorized to drill a second well to all formations within the spacing unit comprised of the S½ of Section 1, T26N-R57E, Richland County, Montana, as an exception to the North Sioux Pass Field rules established by Board Orders 12-75, 17-76 and 8-79.

IT IS FURTHER ORDERED that the location for said well be not closer than 660 feet to the exterior boundary of the spacing unit and no minimum well distance is required from the existing well for the spacing unit.

BOARD ORDER NO. 104-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF LUFF
EXPLORATION COMPANY TO AMEND THE NORTH
SIOUX PASS FIELD RULES ESTABLISHED BY BOARD
ORDERS 12-75, 17-76 AND 8-79 BY ABOLISHING
CERTAIN SPACING UNITS FOR ALL FORMATIONS
EXCEPT THE RATCLIFFE.

ORDER NO. 105-2000

Docket No. 113-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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 the outset of this hearing, Board member Jack King recused himself and took no further part in the deliberations concerning this matter. Board member Allen Kolstad was not present for the hearing on this matter. 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. Applicant requests that the North Sioux Pass Field rules established by Board Orders 12-75, 17-76 and 8-79 be amended by abolishing the spacing unit in Richland County, Montana, comprised of the NW $\frac{1}{4}$ of Section 7, T26N-R58E, and the NE $\frac{1}{4}$ of Section 12, T26N-R57E, and also abolishing the spacing unit comprised of the E $\frac{1}{2}$ of Section 7, T26N-R58E, as to all formations except the Ratcliffe. Applicant proposes to create in their stead a spacing unit consisting of the N $\frac{1}{2}$ of Section 7, T26N-R58E, Richland County, Montana, for all spaced formations except the Ratcliffe and asks that two vertical wells or one horizontal well be permitted as to each spaced formation within the new spacing unit as an exception to the North Sioux Pass Field rules.
3. Development and production has been concluded in the southeastern portion of Section 7 in all economically viable formations other than the Ratcliffe by the existing P-7 USA Martin well. The southwestern portion of Section 7 has been tested by the 1-7 Martin Federal well, which was a dry hole. A 3-D seismic survey reveals a local structural high at the Red River Formation, oriented east-west in the northern half of Section 7. That survey further reveals that this local high is on a large structural platform. Red River completions on other local highs on the same large structural platform are projected to yield over 500,000 barrels of oil. The local high in the northern half of Section 7 is approximately on-trend with these completions. A north half spacing unit is congruous with the local structural orientation and eliminates setback problems in the middle of the north half of the section and also facilitates a possible east-west horizontal lateral from one well.
4. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

BOARD ORDER NO. 105-2000

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana the North Sioux Pass Field spacing unit comprised of the NW¼ of Section 7, T26N-R58E and the NE¼ of Section 12, T26N-R57E, Richland County, Montana, is abolished as to all formations except the Ratcliffe.

IT IS FURTHER ORDERED that the spacing unit comprised of the E½ of Section 7, T26N-R58E, Richland County, Montana, is abolished as to all formations except the Ratcliffe.

IT IS FURTHER ORDERED that the N½ of Section 7, T26N-R58E, Richland County, Montana, is designated as a spacing unit for all spaced formations except the Ratcliffe, and that two vertical wells or one horizontal well is permitted as to each spaced formation within the new spacing unit as an exception to the North Sioux Pass Field rules.

THIS ORDER DOES NOT APPLY to federal lands until the operator has submitted and received approval of a communitization agreement from the appropriate federal agency.

IT IS FURTHER ORDERED that wells will be located not closer than 660 feet to the exterior boundary of the spacing unit and no minimum well distance is required between the two wells authorized for the spacing unit.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Stanley Lund, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF BURLINGTON
RESOURCES OIL & GAS COMPANY FOR A CLASS II
SALTWATER DISPOSAL PERMIT FOR ITS BN #43-35
WELL LOCATED 1980 FSL AND 660 FEL IN SECTION 35,
T9N-R58E, FALLON COUNTY, MONTANA.
[MONARCH FIELD]

ORDER NO. 106-2000

Docket No. 114-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Burlington Resources Oil & Gas Company is authorized to inject produced water from the Red River Formation in the Monarch Field into the Mission Canyon Formation at a depth of 7294 feet to 7518 feet through its BN #43-35 well located 1980 FSL and 660 FEL in Section 35, T9N-R58E, Fallon County, Montana, subject to the following conditions:

1. Injection pressure is limited to 2000 psig at the surface.
2. A plug must be set in the production casing at approximately 7700 feet.
3. A successful mechanical integrity test must be performed prior to injecting.
4. Injection volume is limited to 4.5 million barrels over the life of the well.

BOARD ORDER NO. 106-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF XENO, INC.
TO DESIGNATE SECTION 17, T35N-R19E, BLAINE
COUNTY, MONTANA, AS A TEMPORARY SPACING
UNIT FOR THE EAGLE AND NIOBRARA FORMATIONS
AND TO DRILL AND COMPLETE A WELL TO TEST
ALL FORMATIONS FROM THE SURFACE OF THE
EARTH TO THE TOP OF THE MOWRY FORMATION
AT A LOCATION 471 FNL AND 1170 FEL OF SAID
SECTION.

ORDER NO. 107-2000

Docket No. 115-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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 the outset of the hearing, Board member George Galuska recused himself and took no further part in the deliberations concerning this matter. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Xeno, Inc. is authorized to drill a well at a location 471 FNL and 1170 FEL in Section 17, T35N-R19E, Blaine County, Montana, to test all zones, formations or horizons from the surface of the earth to the top of the Mowry Formation.

IT IS FURTHER ORDERED that, should this well be successfully completed, it be allowed to commingle natural gas downhole and produce the same.

IT IS FURTHER ORDERED that should this well be successfully completed, applicant must apply for permanent spacing within 90 days of completion.

BOARD ORDER NO. 107-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF XENO, INC.
TO DESIGNATE THE N½ OF SECTION 16, T35N-R19E,
BLAINE COUNTY, MONTANA, AS A TEMPORARY
SPACING UNIT FOR THE PRODUCTION OF NATURAL
GAS FROM ALL ZONES FROM THE SURFACE OF THE
EARTH TO THE TOP OF THE MOWRY FORMATION
AND TO DRILL TWO WELLS TO TEST FOR THE PRESENCE
OF NATURAL GAS FROM THE EAGLE AND/OR NIOBRARA
FORMATIONS.

ORDER NO. 108-2000

Docket No. 116-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the N½ of Section 16, T35N-R19E, Blaine County, Montana, is designated as a temporary spacing unit for production of natural gas from all zones from the surface of the earth to the top of the Mowry Formation.

IT IS FURTHER ORDERED that applicant is authorized to drill and produce two wells, one 1550 FNL and 1200 FWL and another 2624 FNL and 2281 FEL in Section 16, T35N-R19E, Blaine County, Montana, with a 75 foot tolerance for topographic reasons.

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

BOARD ORDER NO. 108-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF XENO, INC.
TO DESIGNATE THE S½ OF SECTION 21, T35N-R19E,
BLAINE COUNTY, MONTANA, AS A TEMPORARY
SPACING UNIT FOR PRODUCTION OF NATURAL
GAS FROM ALL ZONES FROM THE SURFACE TO THE
TOP OF THE MOWRY FORMATION AND TO DRILL
AND PRODUCE TWO WELLS PER PRODUCING ZONE
IN SAID REQUESTED TEMPORARY SPACING UNIT.

ORDER NO. 109-2000

Docket No. 118-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the S½ of Section 21, T35N-R19E, Blaine County, Montana, is designated as a temporary spacing unit for production of natural gas from all zones from the surface of the earth to the top of the Mowry Formation .

IT IS FURTHER ORDERED that applicant may drill one well 660 FEL and 660 from the center line of Section 21, T35N-R19E, Blaine County, Montana, with a 75 foot tolerance for topographic reasons in any direction except toward the east line.

IT IS FURTHER ORDERED that, should applicant successfully complete this well, it shall apply for permanent spacing within 90 days of said completion.

THE BOARD NOTES that applicant has agreed not to oppose any request by the leaseholder to the east to offset this well by crowding the section line to the same extent.

BOARD ORDER NO. 109-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF XENO, INC.
TO DESIGNATE ALL OF SECTION 8, T35N-R19E, BLAINE
COUNTY, MONTANA, AS A TEMPORARY SPACING UNIT
FOR THE PRODUCTION OF NATURAL GAS FROM ALL
ZONES FROM THE SURFACE OF THE EARTH TO THE
TOP OF THE MOWRY FORMATION AND TO DRILL AND
PRODUCE UP TO FOUR WELLS PER PRODUCING ZONE
IN THE REQUESTED TEMPORARY SPACING UNIT.

ORDER NO. 110-2000

Docket No. 119-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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 the outset of the hearing, Board member George Galuska recused himself and took no further part in the deliberations concerning this matter. Board member Allen Kolstad was not present for the hearing on this matter. 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. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 8, T35N-R19E, Blaine County, Montana, is designated as a temporary spacing unit for the production of natural gas for all zones from the surface of the earth to the top of the Mowry Formation.

IT IS FURTHER ORDERED that applicant is authorized to drill one well 494 FNL and 2612 FEL in Section 8, T35N-R19E, Blaine County, Montana, with a 75 foot tolerance for topographic reasons.

IT IS FURTHER ORDERED that applicant may drill one other well in the SE¹/₄, but not closer than 990 feet to the exterior boundaries of said section with a 75 foot tolerance for topographic reasons.

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

BOARD ORDER NO. 110-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF NRC
DEVELOPMENT, LLC TO POOL ALL INTERESTS
IN THE PRODUCTION OF NATURAL GAS FROM
THE BOW ISLAND, SUNBURST AND SWIFT
FORMATIONS UNDERLYING THE N½ OF
SECTION 18, T33N-R2W, TOOLE COUNTY,
MONTANA, ON THE BASIS OF SURFACE ACREAGE.
[PRAIRIE DELL FIELD]

ORDER NO. 111-2000

Docket No. 120-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The N½ of Section 18, T33N-R2W, Toole County, Montana, is a permanent spacing unit for production of natural gas from the Bow Island, Sunburst and Swift Formations. There are separately owned interests in said production and those interests have not been voluntarily pooled.
3. 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the production of natural gas from the Bow Island, Sunburst and Swift Formations underlying the N½ of Section 18, T33N-R2W, Toole County, Montana, are hereby pooled on the basis of surface acreage.

BOARD ORDER NO. 111-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF WASCANA
OIL AND GAS, INC. FOR AN ORDER APPROVING THE
OPERATION OF AN ENHANCED RECOVERY UNIT FOR
OIL AND GAS WITHIN THE NISKU FORMATION
UNDERLYING THE FOLLOWING DESCRIBED LANDS
IN FLAT LAKE FIELD, SHERIDAN COUNTY, MONTANA:

ORDER NO. 112-2000

TOWNSHIP 37N-RANGE 57E

| | |
|---|------------------------------|
| SECTION 1: SW $\frac{1}{4}$ | SECTION 10: ALL |
| SECTION 2: S $\frac{1}{2}$ SE, S $\frac{1}{2}$ SW, NW $\frac{1}{4}$ SW $\frac{1}{4}$ | SECTION 11: ALL |
| SECTION 3: SE $\frac{1}{4}$ | SECTION 12: ALL |
| SECTION 4: SW $\frac{1}{4}$ | SECTION 14: N $\frac{1}{2}$ |
| SECTION 5: SE $\frac{1}{4}$ | SECTION 15: ALL |
| SECTION 8: ALL | SECTION 16: ALL |
| SECTION 9: ALL | SECTION 17: NE $\frac{1}{4}$ |

Docket No. 121-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 13th day of July, 2000, in the Billings Petroleum Club, 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. Board member Allen Kolstad was not present for the hearing on this matter. 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. The proposed unit area is comprised of the Nisku Formation underlying the following described lands in Sheridan County, Montana:

Township 37N-Range 57E

Section 1: SW $\frac{1}{4}$
Section 2: S $\frac{1}{2}$ SE, S $\frac{1}{2}$ SW, NW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 3: SE $\frac{1}{4}$
Section 4: SW $\frac{1}{4}$
Section 5: SE $\frac{1}{4}$
Section 8: All
Section 9: All
Section 10: All
Section 11: All
Section 12: All
Section 14: N $\frac{1}{2}$
Section 15: All
Section 16: All
Section 17: NE $\frac{1}{4}$.

BOARD ORDER NO. 112-2000

3. The waterflood project proposed is that of injecting water into the Flat Lake Nisku pool underlying said unit area, which injection will be initially accomplished through three injection wells, the locations which are specifically shown in the application and the exhibits.

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

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

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

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

8. The unit agreement has not yet been approved in writing by the requisite number of owners and persons and by the requisite percentage of interests in the unit area as specified in Section 82-11-207, MCA.

9. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Wascana Oil and Gas, Inc. is granted subject to its providing proof of obtaining the necessary number of consents to the Board within six months of the date of this order.

IT IS FURTHER ORDERED that, subject to providing proof of the requisite number of consents, applicant may drill or utilize additional wells as necessary to operate its waterflood project. Existing spacing orders governing the Flat Lake Field are waived, but no well may be drilled closer than 660 feet to the exterior boundaries of said unit. Drilling permits for locations within the unit boundaries may be granted without additional public notice.

BOARD ORDER NO. 112-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 13th day of July, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

George Galuska, Board Member

Jack King, Board Member

Stanley Lund, Board Member

ATTEST:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary