

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

IN THE MATTER OF THE APPLICATION OF LYCO
ENERGY CORPORATION TO DELINEATE SECTION 36,
T25N-R54E, RICHLAND COUNTY, MONTANA, AS A
FIELD AND PERMANENT SPACING UNIT FOR THE
PRODUCTION OF OIL AND ASSOCIATED NATURAL
GAS FROM THE BAKKEN FORMATION AND
AUTHORIZING UP TO TWO HORIZONTAL WELLS
FOR SAID SPACING UNIT. [SPRING LAKE (BAKKEN)]

ORDER NO. 128-2000

Docket No. 144-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 36, T25N-R54E, Richland County, Montana, is designated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant may drill two horizontal wells within said spacing unit, said wells to be located anywhere within the spacing unit but not closer than 660 feet to the spacing unit boundaries.

BOARD ORDER NO. 128-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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
BURLINGTON RESOURCES OIL & GAS COMPANY
TO CONVERT CERTAIN EAST LOOKOUT BUTTE
UNIT WELLS IN FALLON COUNTY, MONTANA,
TO WATER DISPOSAL WELLS.

ORDER NO. 129-2000

Docket No. 145-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 permission to convert its East Lookout Butte Unit #12-36 well in Section 36, T7N-R60E and its East Lookout Butte Unit #14-25 well in Section 25, T7N-R60E, both in Fallon County, Montana, to water disposal wells for the purpose of water disposal into the Dakota/Swift Formation (12-36 well) and the Lodgepole/Fossil Bank Formation (14-25 well). Applicant is also requesting an aquifer exemption as to the Dakota/Swift Formation.
3. The proposed wells will serve to increase production from the East Lookout Butte Unit and thus will promote conservation of oil and gas in the State of Montana and serve to protect correlative rights.

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 convert its East Lookout Butte Unit #12-36 well in Section 36, T7N-R60E and its East Lookout Butte Unit #14-25 well located in Section 25, T7N-R60E, both in Fallon County, Montana, to water disposal wells for the purpose of water disposal into the Dakota/Swift (12-36 well) and the Lodgepole/Fossil Bank Formation (14-25 well) subject to the following conditions:

1. Both wells must pass a mechanical integrity test prior to injection.
2. Applicant must obtain an aquifer exemption for both the Lodgepole/Fossil Bank Formation and the Dakota/Swift Formation.
3. Surface injection pressure is limited to 2317 psig for the 14-25 well and 1307 psig for its 12-36 well.

BOARD ORDER NO. 129-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 UNDRILLED PERMANENT
RED RIVER SPACING UNITS IN THE WINDY RIDGE
AREA (FALLON COUNTY, MONTANA) ESTABLISHED
BY BOARD ORDER 121-97. [WINDY RIDGE FIELD]

ORDER NO. 130-2000

Docket No. 146-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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. Board Order 121-97, which was adopted October 30, 1997, states, "...this Board will review all undrilled spacing units established by this Order three (3) years from the date hereof to determine if they should continue to be designated as permanent spacing units." The evidence indicates and the Unit Operator agrees that all of said spacing units presently undrilled should be returned to statewide spacing.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Windy Ridge Field established by Board Order 121-97 is re-delineated to include only the following lands:

T7N-R61E

Unit 5: All of Section 16;
Unit 11: Section 23: Lots 1-4 and all of Section 22;
Unit 12: Section 26: Lots 1-4 and all of Section 27;
Unit 13A: Section 17: N½, SE¼;
Unit 14: Section 21: N½, SE¼ and Section 28: NE¼; and
Unit 15: Section 14: Lots 1-4 and all of Section 15.

T8N-R61E

Unit 25: All of Section 28; and
Unit 32: All of Section 31, and T7N-R60E Section 1: N½, SE¼.

Remaining lands originally included in Board Order 121-97 are returned to statewide spacing.

BOARD ORDER NO. 130-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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
KLABZUBA OIL & GAS, INC. TO DRILL A GAS
WELL 1800 FSL AND 1300 FEL OF SECTION 31,
T34N-R19E, BLAINE COUNTY, MONTANA, WITH
A 75 FOOT TOLERANCE IN ANY DIRECTION FOR
TOPOGRAPHIC REASONS AS AN EXCEPTION TO
A.R.M. 36.22.702.

ORDER NO. 131-2000

Docket No. 147-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 Klabzuba Oil & Gas, Inc. is authorized to drill a gas well 1800 FSL and 1300 FEL of Section 31, T34N-R19E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographic reasons as an exception to A.R.M. 36.22.702.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 FLYING J OIL &
GAS INC. TO APPROVE ITS VAIRA B-3 WELL IN SECTION 35,
T25N-R54E, RICHLAND COUNTY, MONTANA, AS A SALTWATER
DISPOSAL WELL TO REPLACE ITS PREVIOUSLY APPROVED
SALTWATER DISPOSAL WELL IN SAID SECTION 35.

ORDER NO. 132-2000

Docket No. 148-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 Class II injection well will serve to increase production from the Dawson Bay Formation and thus will promote conservation of oil and gas in the State of Montana and serve to protect correlative rights.

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 produced by Flying J's Vaira B-1 well and the BN #8-23 well into the Lakota and Dakota Formations through its proposed Vaira B-3 well subject to the following conditions:

1. Prior to injection, the Vaira B-1 well must have cement in place across the Dakota/Lakota formations.
2. A successful mechanical integrity test must be performed.
3. Surface injection pressure is limited to 1097 psig.
4. Injection volume is limited to 15 million barrels over the life of the well.

BOARD ORDER NO. 132-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 SECTIONS 8, 16, 17 AND 21 OF T35N-R19E,
BLAINE COUNTY, MONTANA, AS PERMANENT SPACING
UNITS FOR PRODUCTION OF GAS FROM ALL ZONES OR
FORMATIONS FROM THE SURFACE TO THE TOP OF THE
MOWRY FORMATION. [SOUTH BATTLE CREEK FIELD]

ORDER NO. 133-2000

Docket No. 149-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 Section 8, the N½ of Section 16, Section 17, and the S½ of Section 21, all in T35N-R19E, Blaine County, Montana, are designated as separate spacing units for the production of gas from all zones or formations from the surface to the top of the Mowry Formation.

IT IS FURTHER ORDERED that applicant may drill four wells in Section 8, four wells in Section 17, two wells in the N½ of Section 16, and two wells in the S½ of Section 21. Said wells may be located anywhere within the spacing unit but not closer than 990 feet to the external boundaries of the spacing unit.

IT IS FURTHER ORDERED that wells already drilled as exceptions to these provisions are approved.

IT IS FURTHER ORDERED that the spacing units described above are added to the South Battle Creek Field as delineated by Board Order 58-2000.

BOARD ORDER NO. 133-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 AMEND THE BRORSON
FIELD RULES ESTABLISHED BY BOARD ORDER 27-68.

ORDER NO. 135-2000

Docket No. 152-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 an interest owner and operator within the W½ of Section 5, T23N-R58E, Richland County, Montana, which lies within the Brorson Field established by Board Order 27-68. Spacing for the Madison Group of formations is based on one well per regular quarter section.
3. Applicant proposes to drill a vertical Red River test well at a legal location in the NW¼ of said Section 5 and wishes to design its drilling program to provide the option of drilling a horizontal lateral within the Madison Group extending southward from the vertical wellbore. Although no portion of the proposed horizontal lateral would be located closer than 660 feet to the exterior boundaries of the W½ of Section 5, applicant's operation will not comply with spacing unit configuration and setback requirements of Board Order 27-68 with respect to the common boundary between the NW¼ and SW¼ of said Section 5.
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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Brorson Field rules, with respect to the Madison Formation, are amended to provide for a temporary spacing unit comprised of the W½ of Section 5, T23N-R58E, to allow applicant to drill an optional horizontal lateral within the Madison Group of formations, said horizontal lateral to be located not closer than 660 feet to the exterior boundaries of the proposed temporary spacing unit.

IT IS FURTHER ORDERED that, with respect to all zones and formations encountered below 11,000 feet, exclusive of the Red River Formation, the NW¼ of said Section 5 is designated as a temporary spacing unit.

BOARD ORDER NO. 135-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 AMEND BOARD ORDER
19-82 TO REMOVE THE NE¼ OF SECTION 31, T26N-R55E,
RICHLAND COUNTY, MONTANA, FROM THE STAMPEDE
FIELD AND TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF SAID NE¼ AND THE NW¼ OF SECTION 32,
T26N-R55E, RICHLAND COUNTY, MONTANA, FOR THE
PURPOSE OF DRILLING A HORIZONTAL WELL TO THE
RED RIVER FORMATION.

ORDER NO. 136-2000

Docket No. 153-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 proposes to drill a horizontal Red River test well within but not closer than 330 feet to the exterior boundaries of the temporary spacing unit comprised of the NE¼ of Section 31 and the NW¼ of Section 32, T26N-R55E, Richland County, Montana.
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 Board Order 19-82 is amended to remove the NE¼ of Section 31, T26N-R55E, Richland County, Montana, from the Stampede Field.

IT IS FURTHER ORDERED that the NE¼ of Section 31 and the NW¼ of Section 32, T26N-R55E, Richland County, Montana, are designated as a temporary spacing unit for the drilling of a horizontal well to the Red River Formation, said well to be located anywhere within the temporary spacing unit but not closer than 330 feet to the boundaries thereof.

IT IS FURTHER ORDERED that, should said well be successful, applicant must apply for permanent spacing within ninety (90) days of completion.

BOARD ORDER NO. 136-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 ENCORE
OPERATING, L.P. FOR A CLASS II AREA INJECTION
PERMIT IN THE PINE UNIT IN DAWSON, PRAIRIE,
WIBAUX AND FALLON COUNTIES, MONTANA.

ORDER NO. 137-2000

Docket No. 156-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 applied for a Class II Area Injection Permit in the Pine Unit comprised of the following described lands:

DAWSON COUNTY, MONTANA

T13N-R55E

Section 11: SE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ N $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ N $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ &

Section 11: NE $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ &

Section 12: SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$,

N $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ &

Section 13: E $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$,

SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ &

Section 24: NE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$;

T13N-R56E

Section 18: SW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ &

Section 18: W $\frac{1}{2}$ of Lot 3, Lot 4 &

Section 19: Lots 1, 2, 3, NW $\frac{1}{4}$ of Lot 4, E $\frac{1}{2}$ of Lot 4, E $\frac{1}{2}$ W $\frac{1}{2}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ & Section 20: NE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$

PRAIRIE COUNTY, MONTANA

T 13N-R56E

Section 28: S $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ &

Section 29: W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ &

Section 30: NE $\frac{1}{4}$ of Lot 1, NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$,
E $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 31: NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ &

Section 32: N $\frac{1}{2}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 33: NW $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$

T 12N-R56E

Section 1: S $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ &

Section 2: SW $\frac{1}{4}$ of Lot 8, N $\frac{1}{2}$ of Lot 9, SW $\frac{1}{4}$ of Lot 9, Lot 10, Lot 11, S $\frac{1}{2}$ of Lot 12, SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$,
SE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ &

Section 11: NW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 12: W $\frac{1}{2}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ E $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$,
NW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 13: E $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ S $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$,
S $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 24: E $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$

WIBAUX COUNTY, MONTANA

T11N-R57E

Section 2: S $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 3: S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 4: SW $\frac{1}{4}$ of Lot 1, Lot 2, Lot 3, Lot 4, S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$ &

Section 5: Lots 1, 2, 3, NE $\frac{1}{4}$ of Lot 4, S $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$,
E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 8: E $\frac{1}{2}$ E $\frac{1}{2}$ NE $\frac{1}{4}$ &

Section 9: All except W $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ &

Section 10: SW $\frac{1}{4}$, N $\frac{1}{2}$, SE $\frac{1}{4}$ &

Section 11: NE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$,
S $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ &

Section 12: W $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ &

Section 13: W $\frac{1}{2}$ W $\frac{1}{2}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ &

Section 14: SW $\frac{1}{4}$, N $\frac{1}{2}$, SE $\frac{1}{4}$ &

Section 15: All &

Section 16: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$,
SE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 21: NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ &

Section 22: NE $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ &

Section 23: All &

Section 24: W $\frac{1}{2}$ W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 35: N $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ &

T 12N-R57E

Section 18: W $\frac{1}{2}$ of Lot 4, SE $\frac{1}{4}$ of Lot 4, S $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ &

Section 19: Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ of Lots 3, 4, E $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$,
W $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ &

Section 20: SE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ &

Section 29: W $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 30: E $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$,
W $\frac{1}{2}$ NE $\frac{1}{4}$ &

Section 31: E $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 32: NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ &

Section 33: SW $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$

FALLON COUNTY, MONTANA

T11N-R57E

Section 25: All &

Section 26: N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$,
NE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ S $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ &

Section 27: NE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ &

Section 36: N $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$

3. Applicant proposes to inject produced salt water fluids and Mission Canyon source water from said field into the stratigraphic equivalent of the following zones in the South Pine 24-14A well located in Section 14, T11N-R57E, Wibaux County, Montana: Silurian Interlake – 8440 feet to 8811 feet, Ordovician Stony Mountain – 8811 feet to 8974 feet, and Ordovician Red River – 8974 feet to 9374 feet. The proposed injection zone contains water with greater than 10,000 ppm total dissolved solids and no aquifer exemption is required.

4. Granting the application will serve to increase production from the Pine Unit and thus will promote conservation of oil and gas within the State of Montana and serve to protect correlative rights.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Encore Operating, L.P. is awarded a Class II Area Injection Permit in the Pine Unit for the lands described above.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

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

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 ENCORE
OPERATING, L.P. FOR A CLASS II AREA INJECTION
PERMIT FOR THE CABIN CREEK UNIT IN FALLON
COUNTY, MONTANA.

ORDER NO. 138-2000

Docket No. 157-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 applied for a Class II Area Injection Permit for the Cabin Creek Unit which covers the following described lands in Fallon County, Montana:

T10N-R58E

Section 7: All;

Section 17: All;

Section 19: NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$;

Section 27: SW $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$;

Section 32: E $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$;

Section 34: W $\frac{1}{2}$ & SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$;

Section 9: W $\frac{1}{2}$ SW $\frac{1}{4}$;

Section 22: W $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$;

Section 28: NE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ & S $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ & NE $\frac{1}{4}$ SE $\frac{1}{4}$ & N $\frac{1}{2}$;

Section 18: NE $\frac{1}{4}$ & NW $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ & E $\frac{1}{2}$ SE $\frac{1}{4}$ & NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$,

NE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ of Lot 1;

Section 21: S $\frac{1}{2}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ & NE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$,

W $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$;

Section 29: NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$;

Section 33: N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$,

E $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$;

Section 6: Lot 3, Lot 4, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ & Lot 5, Lot 6, Lot 7, E $\frac{1}{2}$ SW $\frac{1}{4}$ & SW $\frac{1}{4}$ of Lot 1, Lot

2, SE $\frac{1}{4}$ NE $\frac{1}{4}$;

Section 8: NW $\frac{1}{4}$ SE $\frac{1}{4}$ & S $\frac{1}{2}$ SE $\frac{1}{4}$ & W $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$;

Section 20: NW $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ & E $\frac{1}{2}$;

Section 16: W $\frac{1}{2}$ W $\frac{1}{2}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ E $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$;

Section 5: SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$.

BOARD ORDER NO. 138-2000

T10N-R57E

Section 12: E $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ & E $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ & E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ & NE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$;
Section 1: Lot 1, SE $\frac{1}{4}$ of Lot 2, NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$;

T9N-R58E

Section 4: E $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ & Lot 1, SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ of Lot 2, NW $\frac{1}{4}$ of Lot 2;

Section 3: Lot 2, Lot 3, Lot 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$;

Section 10: NE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ & NE $\frac{1}{4}$

T11N-R57E

Section 36: S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$

T11N-R58E

Section 31: Lot 1, W $\frac{1}{2}$ E $\frac{1}{2}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, Lot 2, Lot 3, Lot 4, SE $\frac{1}{4}$ SW $\frac{1}{4}$

3. The fluids to be injected will be produced field saltwater fluids and Mission Canyon source water. The zone in which injection will occur is the stratigraphic equivalent of the following zones in the Cabin Creek 41X-29A well located in Section 29, T10N-R58E, Fallon County, Montana: Silurian Interlake – 8262 feet to 8559 feet, Ordovician Stony Mountain – 8559 feet to 8721 feet, and Ordovician Red River – 8721 feet to 9121 feet. The proposed injection zone contains water with greater than 10,000 ppm total dissolved solids and no aquifer exemption is required.

4. 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 Encore Operating, L.P. is granted a Class II Area Injection Permit for the Cabin Creek Unit which covers the lands in Fallon County described above.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 ENCORE
OPERATING, L.P. TO CONVERT ITS SOUTH PINE #11-32
WELL IN SECTION 32, T12N-R57E, WIBAUX COUNTY,
MONTANA, TO WATER INJECTION.

ORDER NO. 139-2000

Docket No. 137-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 proposes to convert its South Pine #11-32 well in Section 32, T12N-R57E, Wibaux County, Montana, to water injection. Applicant proposes to inject water into the Interlake, Stony Mountain and Red River Formations. Source of the injected fluids will be produced saltwater fluids from the South Pine Field.
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 Encore Operating, L.P. is authorized to convert its South Pine #11-32 well to inject produced saltwater fluids from the South Pine Field into the Interlake, Stony Mountain and Red River Formations subject to the following conditions:

1. Injection pressure is limited to 2700 psig at the surface.
2. A successful mechanical integrity test must be completed prior to injection.

BOARD ORDER NO. 139-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 ENCORE
OPERATING, L.P. TO CONVERT ITS CABIN CREEK
#44-07 WELL IN SECTION 7, T10N-R58E, FALLON
COUNTY, MONTANA, TO AN INJECTION WELL.

ORDER NO. 140-2000

Docket No. 138-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 proposes to convert its Cabin Creek #44-07 well in Section 7, T10N-R58E, Fallon County, Montana, to an injection well to inject produced saltwater fluids and Mission Canyon source water from the Cabin Creek Field into the Red River and Interlake Formations.
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 Encore Operating, L.P. is authorized to convert its Cabin Creek #44-07 well to inject produced saltwater fluids and Mission Canyon source water from the Cabin Creek Field into the Red River and Interlake zones subject to the following conditions:

1. Injection pressure is limited to 2661 psig at the surface.
2. A successful mechanical integrity test must be completed prior to beginning injection.

BOARD ORDER NO. 140-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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
KEESUN CORPORATION TO AMEND THE PRAIRIE
DELL FIELD RULES TO ALLOW APPLICANT TO
DRILL AND PRODUCE FOUR WELLS PER ZONE,
FORMATION OR HORIZON FROM THE SURFACE
OF THE EARTH TO THE TOP OF THE RIERDON
FORMATION IN SECTION 26, T34N-R1W, TOOLE
COUNTY, MONTANA.

ORDER NO. 141-2000

Docket No. 158-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 applicant is authorized to drill and produce two wells per zone, formation or horizon from the surface of the earth to the top of the Rierdon Formation in each 320 acre spacing unit contained in Section 26, T34N-R1W, Toole County, Montana.

BOARD ORDER NO. 141-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 WJW OPERATING CO., LLC TO DESIGNATE THE N½ OF SECTION 31, T29N-R58E, ROOSEVELT COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR THE NISKU FORMATION AND TO DESIGNATE THE RUDOLPH #2-31 WELL AS THE PERMITTED WELL WITHIN SAID PERMANENT SPACING UNIT. [NORTH BAINVILLE FIELD]

ORDER NO. 142-2000

Docket No. 159-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 31, T29N-R58E, Roosevelt County, Montana, is designated as a permanent spacing unit for the Nisku Formation and the Rudolph #2-31 well is designated as the permitted well within said permanent spacing unit.

IT IS FURTHER ORDERED that applicant, with administrative approval, may drill one or more horizontal legs from said well provided said horizontal legs extend no closer than 660 feet to the external boundaries of the spacing unit.

BOARD ORDER NO. 142-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 COLUMBUS
ENERGY CORP. TO RECOMPLETE ITS CURTIS HUNTER A-1
WELL IN THE RATCLIFFE/MISSION CANYON FORMATIONS
AS THE SECOND PRODUCING OIL WELL IN THE STATEWIDE
SPACING UNIT CONSISTING OF THE SE¼ OF SECTION 14,
T25N-R58E, RICHLAND COUNTY, MONTANA. [FAIRVIEW
FIELD]

ORDER NO. 143-2000

Docket No. 173-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galska was absent. 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 Curtis Hunter #1-14 well, which is the permitted well for the spacing unit which is the subject of this application, has collapsed casing and is not capable of efficiently and economically producing 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 Columbus Energy Corp. is authorized to recomplete its Curtis Hunter A-1 well in the Ratcliffe/Mission Canyon Formations as the second producing oil well in said formations in the spacing unit consisting of the SE¼ of Section 14, T25N-R58E, Richland County, Montana.

BOARD ORDER NO. 143-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 COLUMBUS
ENERGY CORP. TO AMEND THE MONDAK WEST FIELD
RULES TO DESIGNATE THE S½ OF SECTION 1, T22N-R59E,
RICHLAND COUNTY, MONTANA, AS A PERMANENT
SPACING UNIT FOR THE BAKKEN, DUROW AND STONY
MOUNTAIN FORMATIONS AND TO DESIGNATE ITS
LIEN #2 WELL AS THE PERMITTED WELL FOR SAID
FORMATIONS IN THE S½ OF SAID SECTION 1. [MONDAK
WEST FIELD]

ORDER NO. 144-2000

Docket No. 174-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 S½ of Section 1, T22N-R59E, Richland County, Montana, is designated as a permanent spacing unit for the Bakken, Duperow and Stony Mountain formations.

IT IS FURTHER ORDERED that applicant's Lien #2 well is designated as the permitted well for said formations.

IT IS FURTHER ORDERED that applicant is authorized to commingle production from said formations with Madison production in the permitted well in said spacing unit.

BOARD ORDER NO. 144-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 BEVERLY A.
HOEHN RIEBE TO DESIGNATE THE SE¼ OF SECTION 23,
T34N-R17E, BLAINE COUNTY, MONTANA, AS A 160 ACRE
PERMANENT SPACING UNIT FOR THE PRODUCITON OF
EAGLE FORMATION GAS.

ORDER NO. 145-2000

Docket No. 175-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 SE¼ of Section 23, T34N-R17E, Blaine County, Montana, is designated as a 160 acre permanent spacing unit for the production of Eagle Formation gas and the JJB 23-34-17 well is designated as the permitted well for said spacing unit.

BOARD ORDER NO. 145-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, 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 SAMEDAN
OIL CORPORATION TO AMEND THE WHITEWATER
FIELD RULES TO INCLUDE THE NIOBRARA FORMATION
AND TO AUTHORIZE NIOBRARA RESERVES TO BE PRODUCED
FROM WELLS DRILLED OR TO BE DRILLED AT LOCATIONS
PREVIOUSLY AUTHORIZED BY THE BOARD AND TO
COLLECTIVELY DESIGNATE THE NIOBRARA, BOWDOIN,
GREENHORN AND PHILLIPS FORMATIONS AS THE "UPPER
COLORADO GROUP."

ORDER NO. 146-2000

Docket No. 176-2000 and 6-2000 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 Board member George Galuska was absent. 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, with respect to those lands lying within the Whitewater Unit boundaries, the Whitewater Field rules are amended to include the Niobrara Formation and to authorize Niobrara reserves to be produced from wells drilled or to be drilled at locations previously authorized by Board Orders 41-82, 14-89, 15-89, 15-91 and 6-92.

IT IS FURTHER ORDERED that the Niobrara, Bowdoin, Greenhorn and Phillips formations are collectively designated as the "Upper Colorado Group."

IT IS FURTHER ORDERED that this order is made retroactive to the date of the first Niobrara completion or recompletion within the Whitewater Unit.

BOARD ORDER NO. 146-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Allen Kolstad, 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 ROCKY MOUNTAIN OPERATING
COMPANY'S NON-COMPLIANCE WITH BOARD RULES
IN ITS OPERATIONS IN THE SNYDER CREEK FIELD IN
BIG HORN COUNTY, MONTANA.

ORDER NO. 147-2000

Docket No. 142-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 members George Galuska and Allen Kolstad were absent. 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. For the second time in a row, Rocky Mountain Operating Company failed to appear in response to the Board's order concerning its operations in the Snyder Creek Field in Big Horn County, Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that this matter is continued until December 14, 2000.

IT IS FURTHER ORDERED that the fine imposed by Board Order 125-2000 stop accumulating as of October 19, 2000. The fine on that date had reached a total of \$10,000.

IT IS FURTHER ORDERED that, in addition to that \$10,000 fine, Rocky Mountain Drilling Company pay the Board \$400 for expenses incurred enlarging and fencing the pit at Rocky Mountain Drilling Company's Snyder Creek Field operations.

BOARD ORDER NO. 147-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 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 HEADINGTON
OIL, LIMITED PARTNERSHIP TO DESIGNATE THE E½ OF
SECTION 28, T24N-R57E, RICHLAND COUNTY, MONTANA,
AS A PERMANENT SPACING UNIT FOR PRODUCTION OF
OIL AND ASSOCIATED GAS FROM THE BAKKEN
FORMATION AND TO ALLOW PRODUCTION FROM ITS
FRANZ-ALBIN #31X-28 WELL AS A SECOND BAKKEN
FORMATION WELL IN SAID SPACING UNIT.

ORDER NO. 134-2000

Docket No. 151-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 26th day of October, 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 George Galuska was absent. 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 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 E½ of Section 28, T24N-R57E, Richland County, Montana, is designated as a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Franz-Albin #31X-28 well and its Albin #1-28 well are designated as the wells allowed to produce from said spacing unit.

BOARD ORDER NO. 134-2000

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 26th day of October, 2000.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Stanley Lund, Board Member

ATTES T:

Elaine Mitchell, Board Member

Terri H. Perrigo, Executive Secretary