

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 ITS EAST LOOKOUT BUTTE #14-36
UNIT WELL IN SECTION 36, T7N-R60E, FALLON
COUNTY, MONTANA, TO AN INJECTOR FOR THE
PURPOSE OF WATER DISPOSAL.

ORDER NO. 122-2001

Docket No. 89-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 convert its East Lookout Butte #14-36 Unit well in Section 36, T7N-R60E, Fallon County, Montana, to an injector for the purpose of water disposal subject to the following conditions:

1. Surface injection pressure is limited to 2195 psig.
2. Injected volume is limited to 12 million barrels over the life of the well.
3. A successful mechanical integrity test must be performed before injecting.

BOARD ORDER NO. 122-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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
SOMONT OIL COMPANHY, INC. TO ENLARGE
THE KEVIN-SUNBURST BOW ISLAND GAS
FIELD TO INCLUDE SECTION 14, T36N-R4W,
TOOLE COUNTY, MONTANA, AND TO ENLARGE
THE AMANDA GAS FIELD TO INCLUDE
SECTION 22, T36N-R4W, TOOLE COUNTY, MONTANA,
FOR ALL FORMATIONS BELOW THE BOW ISLAND
TO AND INCLUDING THE SWIFT AND TO INCREASE
THE DRILLING DENSITY IN SECTIONS 9 AND 15, T36N-R4W,
TOOLE COUNTY, MONTANA, TO ONE WELL PER QUARTER
SECTION WITH EACH WELL TO BE DRILLED NOT CLOSER
THAN 660 FEET TO THE SECTION LINE WITH A 75 FOOT
TOPOGRAPHIC ALLOWANCE. [KEVIN-SUNBURST BOW
ISLAND GAS FIELD, AMANDA FIELD, FITZPATRICK LAKE
GAS FIELD]

ORDER NO. 123-2001

Docket No. 91-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 Bow Island Interval in Section 14, T36N-R4W, Toole County, Montana, is removed from the Fitzpatrick Lake Gas Field.

IT IS FURTHER ORDERED that the Kevin-Sunburst Bow Island Gas Field established by Board Orders 2-88, 17-88 and 11-91 is enlarged to include Section 14, T36N-R4W, Toole County, Montana.

IT IS FURTHER ORDERED that the Amanda Gas Field established by Board Orders 76-79, 25-83, 1-85, 25-88, 42-88, 2-89, 29-91, 63-91 and 1-94 is enlarged to include Section 22, T36N-R4W, Toole County, Montana, for all formations below the Bow Island to and including the Swift.

BOARD ORDER NO. 123-2001

IT IS FURTHER ORDERED that the drilling density in Section 9, T36N-R4W, Fitzpatrick Lake Gas Field, Toole County, Montana, is increased to one well per quarter section with each well to be drilled not closer than 660 feet to the section line and with a 75 foot topographic tolerance.

IT IS FURTHER ORDERED that the drilling density in Section 15, T36N-R4W, Fitzpatrick Lake Gas Field, Toole County, Montana, is increased one well per quarter section with each well to be drilled not closer than 660 feet to the spacing unit boundary with a 75 foot topographic allowance.

IT IS FURTHER ORDERED that, should said wells be successful, the proceeds of production must be held in escrow until applicant has submitted and received approval of a communitization agreement from the appropriate federal agency where applicable.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 JURASSIC
RESOURCES DEVELOPMENT NORTH AMERICA TO
ENLARGE THE PINE GAS FIELD TO INCLUDE THE
W½ OF SECTION 25, T11N-R57E, FALLON COUNTY,
MONTANA, AND TO AMEND THE PINE GAS FIELD
RULES TO PROVIDE THAT SPACING UNITS FOR
PRODUCTION FROM FORMATIONS FROM 700 TO 2750
FEET IN DEPTH BE ESTABLISHED AT ONE WELL PER
REGULAR QUARTER SECTION WITH EACH WELL TO
BE LOCATED ANYWHERE WITHIN THE SPACING
UNIT BUT NOT LESS THAN 660 FEET TO A SPACING
UNIT BOUNDARY WITH A TOPOGRAPHIC TOLERANCE
OF 460 FEET.

ORDER NO. 124-2001

Docket No. 93-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 establishes 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 Pine Gas Field established by Board Orders 35-54, 37-62, 37-62A and 16-97 is enlarged to include the W½ of Section 25, T11N-R57E, Fallon County, Montana.

BOARD ORDER NO. 124-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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
ROBINSON OIL COMPANY, LLC TO TRANSFER
THE BONDING OBLIGATION FOR THE JESSE
MILLEN NO. 1 WELL IN THE NWN OF SECTION 24,
T37N-R5E, LIBERTY COUNTY, MONTANA, FROM
FULTON PRODUCING COMPANY TO ROBINSON
OIL COMPANY, LLC.

ORDER NO. 125-2001

Docket No. 95-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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. At the hearing, Fulton Producing Company appeared and objected to the application and moved that it be dismissed.
3. It appears to the Board that there is a conflict between the parties as to which of them has a valid lease on the land underlying the Jessie Millen No. 1 well.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that this Board has no authority to determine the validity of mineral leases and applicant must seek remedy in the courts of this State.

IT IS FURTHER ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Robinson Oil Company, LLC is dismissed.

BOARD ORDER NO. 125-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 DRILL A RED RIVER "C"
HORIZONTAL TEST WELL IN THE S½ OF SECTION 7,
T33N-R57E, SHERIDAN COUNTY, MONTANA,
WITH A PROJECTED DRAINHOLE BEGINNING
1254' FEL AND 504' FSL AND ENDING 2360' FEL
AND 2100' FSL OF SAID SECTION 7 AS AN EXCEPTION
TO A.R.M. 36.22.703.

ORDER NO. 126-2001

Docket No. 98-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 application of Berco Resources, LLC is granted as applied for.

BOARD ORDER NO. 126-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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-VIRGELLE FORMATION GAS WELL 1006'
FEL AND 2232' FSL OF SECTION 28, T27N-R18E,
BLAINE COUNTY, MONTANA, WITH A 100 FOOT
TOLERANCE FOR TOPOGRAPHIC REASONS AS
AN EXCEPTION TO THE SAWTOOTH MOUNTAIN
FIELD RULES ESTABLISHED BY BOARD ORDERS
26-74 AND 24-99.

ORDER NO. 127-2001

Docket No. 99-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 as applied for 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-Virgelle Formation gas well 1006' FEL and 2232' FSL of Section 28, T27N-R18E, Blaine County, Montana, as an exception to the Sawtooth Mountain Field rules established by Board Orders 26-74 and 24-99.

BOARD ORDER NO. 127-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 1200' FNL AND
1900' FEL OF SECTION 7, T25N-R18E, BLAINE COUNTY,
MONTANA, AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 128-2001

Docket No. 101-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 1200' FNL and 1900' FEL of Section 7, T25N-R18E, Blaine County, Montana.

BOARD ORDER NO. 128-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 993' FSL AND
1653' FWL OF SECTION 7, T25N-R18E, BLAINE COUNTY,
MONTANA, AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 129-2001

Docket No. 102-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 993' FSL and 1653' FWL of Section 7, T25N-R18E, Blaine County, Montana, as an exception to A.R.M. 36.22.702.

BOARD ORDER NO. 129-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 THE NE¼ OF
SECTION 28, T25N-R19E, BLAINE COUNTY, MONTANA,
AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 130-2001

Docket No. 103-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 739' FNL and 312' FEL of Section 28, T25N-R19E, Blaine County, Montana, as an exception to A.R.M. 36.22.702.

BOARD ORDER 130-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Gary Willis, 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 OCEAN
ENERGY RESOURCES, INC. TO DRILL AN ADDITIONAL
EAGLE-VIRGELLE FORMATION GAS WELL IN THE E½ OF
SECTION 28, T27N-R17E, CHOUTEAU COUNTY, MONTANA,
AS AN EXCEPTION TO THE BULLWACKER FIELD RULES
ESTABLISHED BY BOARD ORDER 26-74.

ORDER NO. 131-2001

Docket No. 104-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 2150' FNL and 990' FEL of Section 28, T27N-R17E, Chouteau County, Montana.

BOARD ORDER NO. 131-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Gary Willis, 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 OCEAN
ENERGY RESOURCES, INC. TO DRILL AN ADDITIONAL
EAGLE SAND FORMATION GAS WELL WITHIN THE
SPACING UNIT COMPRISED OF THE NW¼ OF SECTION 35,
T30N-R15E, HILL COUNTY, MONTANA, AS AN EXCEPTION
TO THE TIGER RIDGE FIELD RULES ESTABLISHED BY
BOARD ORDERS 26-74 AND 30-89.

ORDER NO. 132-2001

Docket No. 106-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 additional Eagle Sand Formation gas well within the spacing unit comprised of the NW¼ of Section 35, T30N-R15E, Hill County, Montana, at a location 864' FNL and 202' FWL of said Section 35.

IT IS FURTHER ORDERED that all production payments from said well shall be suspended pending the completion of a border agreement.

BOARD ORDER 132-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 REMOVE SECTIONS 18,
19, AND 30 OF T32N-R14E, HILL COUNTY, MONTANA,
FROM THE LAREDO FIELD ESTABLISHED BY BOARD
ORDER 8-74, TO DESIGNATE THE S½ OF SECTION 19
AND THE N½ OF SECTION 30 AS A TEMPORARY
SPACING UNIT, AND TO AUTHORIZE APPLICANT TO
DRILL AN EAGLE SAND FORMATION GAS WELL WITHIN
SAID TRACT 100' FNL AND 2400' FWL OF SAID SECTION 30
AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 133-2001

Docket No. 107-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 Sections 18, 19, and 30 of T32N-R14E, Hill County, Montana, are removed from the Laredo Field established by Board Order 8-74.

IT IS FURTHER ORDERED that the S½ of said Section 19 and the N½ of said Section 30 are designated as a temporary spacing unit for the Eagle Sand Formation.

IT IS FURTHER ORDERED that applicant is authorized to drill an Eagle Sand Formation gas well within said tract 100' FNL and 2400' FWL of said Section 30 as an exception to A.R.M. 36.22.702.

BOARD ORDER 133-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 748' FSL AND
2144' FWL OF SECTION 19, T31N-R17E, HILL COUNTY,
MONTANA, AS AN EXCEPTION TO THE TIGER RIDGE
FIELD RULES ESTABLISHED BY BOARD ORDERS
23-68 AND 23-89.

ORDER NO. 134-2001

Docket No. 108-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 748' FSL and 2144' FWL of Section 19, T31N-R17E, Hill County, Montana, as an exception to the Tiger Ridge Field rules established by Board Orders 23-68 and 23-89.

BOARD ORDER 134-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent. I am not persuaded that this additional well is necessary or desirable.

Elaine Mitchell, Board Member

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

IN THE MATTER OF THE APPLICATION OF MILLER
EXPLORATION COMPANY TO DELINEATE THE NE¼
OF SECTION 21, THE NW¼ OF SECTION 22, AND THE
NW¼ OF SECTION 27, ALL IN T34N-R10W, GLACIER
COUNTY, MONTANA, AS 160 ACRE TEMPORARY
SPACING UNITS FOR GAS PRODUCTION FROM
FORMATIONS FROM THE SURFACE TO A DEPTH
OF 950 FEET.

ORDER NO. 135-2001

Docket No. 109-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 NE¼ of Section 21, the NW¼ of Section 22, and the NW¼ of Section 27, all in T34N-R10W, Glacier County, Montana, are designated as 160 acre temporary spacing units for gas production from formations from the surface to a depth of 950 feet with the permitted well for each temporary spacing unit to be located not closer than 660 feet to the spacing unit boundaries with a 150 foot tolerance in any direction for topographic reasons.

BOARD ORDER 135-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Gary Willis, 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
KLABZUBA OIL & GAS, INC. TO DRILL AN
ADDITIONAL EAGLE SAND FORMATION GAS
WELL IN THE SW¼ OF SECTION 1, T33N-R18E,
BLAINE COUNTY, MONTANA, BUT NOT CLOSER
THAN 500 FEET TO THE SPACING UNIT BOUNDARY
AS AN EXCEPTION TO BOARD ORDERS 62-2000
AND 122-2000.

ORDER NO. 136-2001

Docket No. 110-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 Klabzuba Oil & Gas, Inc. is authorized to drill an additional Eagle Sand Formation gas well in the SW¼ of Section 1, T33N-R18E, Blaine County, Montana, anywhere within said spacing unit but not closer than 500 feet to the spacing unit boundary as an exception to Board Orders 62-2000 and 122-2000.

BOARD ORDER 136-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Gary Willis, 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
KLABZUBA OIL & GAS, INC. TO DRILL AN
EAGLE SAND FORMATION GAS WELL 900'
FSL AND 1900' FEL OF SECTION 21, T35N-R14E,
HILL COUNTY, MONTANA, AS AN EXCEPTION
TO A.R.M.36.22.702.

ORDER NO. 137-2001

Docket No. 111-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 Klabzuba Oil & Gas, Inc. is authorized to drill an Eagle Sand Formation gas well 900' FSL and 1900' FEL of Section 21, T35N-R14E, Hill County, Montana, as an exception to A.R.M. 36.22.702.

BOARD ORDER NO. 137-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 225' FNL AND 990' FWL OF
SECTION 22, T35N-R14E, HILL COUNTY,
MONTANA, AND TO DESIGNATE THE N½
OF SAID SECTION 22 AS A TEMPORARY
SPACING UNIT FOR PRODUCTION OF GAS
FROM THE EAGLE SAND FORMATION.

ORDER NO. 138-2001

Docket No. 112-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 as 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 Klabzuba Oil & Gas, Inc. is authorized to drill a gas well 225' FNL and 990' FWL of Section 22, T35N-R14E, Hill County, Montana.

IT IS FURTHER ORDERED that the N½ of said Section 22 is designated as a temporary spacing unit for production of gas from the Eagle Sand Formation.

BOARD ORDER NO. 138-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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
FIDELITY EXPLORATION AND PRODUCTION
COMPANY TO WAIVE THE SPACING RULES
FOR THE CEDAR CREEK UNIT 8A IN THE
CEDAR CREEK GAS FIELD, FALLON COUNTY,
MONTANA, AS ESTABLISHED BY BOARD
ORDERS 1-61 AND 61-98 TO ALLOW APPLICANT
TO DRILL WELLS AT LOCATIONS OF ITS CHOICE
WITHIN SAID CEDAR CREEK UNIT 8A AS LONG
AS SAID WELLS ARE NOT LOCATED CLOSER THAN
660 FEET TO THE EXTERIOR BOUNDARIES OF
THE UNIT.

ORDER NO. 139-2001

Docket No. 113-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 spacing rules for the Cedar Creek Unit 8A and the Cedar Creek Gas Field established by Board Orders 1-61 and 61-98 are withdrawn.

IT IS FURTHER ORDERED that applicant may drill any number of wells at locations of its choice within said Cedar Creek Unit 8A as long as no well is located closer than 660 feet to the exterior boundaries of the Unit.

IT IS FURTHER ORDERED that this waiver of spacing rules is effective only to the depth of 2000 feet.

BOARD ORDER NO. 139-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, Board Member

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

IN THE MATTER OF THE APPLICATION OF
FIDELITY EXPLORATION AND PRODUCTION
COMPANY TO AMEND THE CEDAR CREEK GAS
FIELD RULES ESTABLISHED BY BOARD ORDERS
1-61 AND 4-97 TO ALLOW THREE WELLS PER
SPACING UNIT ANYWHERE WITHIN A SPACING
UNIT BUT NOT CLOSER THAN 660 FEET TO A
SPACING UNIT BOUNDARY IN FALLON COUNTY,
MONTANA.

ORDER NO. 140-2001

Docket No. 114-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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 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 Cedar Creek Gas Field rules established by Board Orders 1-61 and 4-97 are amended to allow three wells per spacing unit anywhere within a spacing unit but not closer than 660 feet to a spacing unit boundary in the following described lands in Fallon County, Montana:

T6N-R60E

Section 22: E½
Section 23: All
Section 24: W½
Section 25: All
Section 26: All

BOARD ORDER NO. 140-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Koistad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 FIDELITY
EXPLORATION AND PRODUCTION COMPANY TO
AMEND THE CEDAR CREEK GAS FIELD RULES
ESTABLISHED BY BOARD ORDERS 1-61 AND 4-97
TO DESIGNATE THE N½ OF SECTION 25, T9N-58E,
FALLON COUNTY, MONTANA, AS A DRILLING AND
PRODUCTION SPACING UNIT AND TO DELETE THE
REQUIREMENT PROVIDING THAT EAGLE SAND
FORMATION GAS WELLS WITHIN THE N½ OF
SECTION 25 BE LOCATED NOT CLOSER THAN 1320
FEET TO ANY PRODUCING EAGLE SAND GAS WELL.

ORDER NO. 141-2001

Docket No. 115-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 Cedar Creek Gas Field rules are amended to designate the N½ of Section 25, T9N-R58E, Fallon County, Montana, as a drilling and production spacing unit and to delete the requirement providing

that Eagle Sand Formation gas wells within said half-section be located not closer than 1320 feet to any producing that Eagle Sand gas well.

BOARD ORDER NO. 141-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 NEXEN
OIL AND GAS U.S.A., INC. TO DESIGNATE LOTS 1, 2,
7, 8, 9 AND 10 (NE¼) OF SECTION 6, T37N-R58E,
SHERIDAN COUNTY, MONTANA, AS A PERMANENT
SPACING UNIT FOR COMMINGLED PRODUCTION FROM
THE RED RIVER AND NISKU FORMATIONS AND
DESIGNATING THE NO. 7 ANDERSON WELL AS
THE PERMITTED WELL FOR SAID SPACING UNIT.

ORDER NO. 142-2001

Docket No. 87-2001

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 application of Nexen Oil and Gas U.S.A., Inc. is granted as applied for.

BOARD ORDER 142-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 NEXEN OIL
AND GAS U.S.A., INC. TO AMEND THE SECONDARY
PARAMETERS OF THE FLAT LAKE NISKU UNIT.

ORDER NO. 143-2001

Docket No. 5-2001 "B"

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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. At the hearing of this matter, applicant indicated that it has not completed its work with the mineral owners in the Flat Lake Nisku Unit and asked that this docket be continued without date.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Nexen Oil and Gas U.S.A., Inc. is continued without date.

BOARD ORDER NO. 143-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, 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 BALD EAGLE
RESOURCES, INC. TO DRILL AN ADDITIONAL WELL
IN THE EXISTING 640 ACRE POOLED UNIT DESCRIBED
AS ALL OF SECTION 33, T35N-R7E, LIBERTY COUNTY,
MONTANA.

ORDER NO. 144-2001

Docket No. 192-2000

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of May, 2001, 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. 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 may drill one additional well in the existing 640 acre pooled unit described as all of Section 33, T35N-R7E, Liberty County, Montana. The proposed additional well may be drilled in the NE $\frac{1}{4}$ of said Section 33 and completed in the same formations and zones as the currently producing Mlinar B#1 well located in the SENENW of said Section 33.

IT IS FURTHER ORDERED that said well must be located not closer than 990 feet to the exterior boundaries of Section 33 and not closer than 1320 feet to any other wells located in Section 33.

BOARD ORDER NO. 144-2001

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of May, 2001.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Gary Willis, Board Member

Terri H. Perrigo, Executive Secretary