

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
BOARD OF OIL AND GAS CONSERVATION
HELENA, MONTANA

CONSERVATION AND PREVENTION)
OF WASTE OF OIL AND GAS)

NOTICE OF PUBLIC HEARING

The Board of Oil and Gas Conservation will hold a business meeting at 2:00 p.m., Wednesday, June 26, 2002, at its office located at 2535 St. Johns Avenue, Billings, Montana. The agenda for that meeting is:

1. Call to order
2. Approval of minutes of May 1, 2002 business meeting
3. Opportunity for public comment
4. Bond report
5. Financial report
6. Coal bed methane update
7. Programmatic EIS update status
8. Proposed Rule Change for Non-Contested Applications
9. Staff reports

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below beginning at 8:00 a.m., Thursday, June 27, 2002, in the Billings Petroleum Club, Sheraton Hotel, Billings, Montana. For more information or to request accommodation for a disability, please contact Terri Perrigo at (406) 444-6675 or Tom Richmond at (406) 656-0040 as soon as possible before the scheduled hearing.

Docket No. 144-2002

APPLICANT: CHESAPEAKE OPERATING, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **CHESAPEAKE OPERATING, INC.** to drill a Red River test well 330' FNL and 1800' FEL of Section 22, T26N-R55E, Richland County, Montana, with a 100 foot tolerance for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 145-2002

APPLICANT: LYCO ENERGY CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to delineate all of Section 35, T24N-R57E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and authorizing up to two horizontal wells to be located anywhere within said spacing unit but not closer than 660 feet to the spacing unit boundaries.

Docket No. 146-2002

APPLICANT: LYCO ENERGY CORPORATION - RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to delineate all of Section 17, T24N-R56E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and authorizing up to two horizontal wells anywhere within said spacing unit but not closer than 660 feet to the spacing unit boundaries.

Docket No. 147-2002

APPLICANT: LYCO ENERGY CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to designate Lots 1, 2, 3, 4, S½S½ of Section 4 and all of Section 9, T24N-R55E, Richland County, Montana, as a temporary spacing unit for the drilling of up to two horizontal wells in the Bakken Formation and authorizing said horizontal wells to be located anywhere within such temporary spacing unit but not closer than 660 feet to the boundaries thereof.

Docket No. 9-2002 FED

APPLICANT: CONTINENTAL RESOURCES, INC. – VALLEY COUNTY, MONTANA

Upon the application of **CONTINENTAL RESOURCES, INC.** to drill and complete a well 280' FNL and 590' FWL of Section 18, T30N-R45E, Valley County, Montana, as an exception to any applicable well location rules. The land involved is not subject to the Board's jurisdiction and the decision in this matter will be made by the Bureau of Land Management of the United States Department of the Interior.

Docket No. 10-2002 FED

APPLICANT: CONTINENTAL RESOURCES, INC. – VALLEY COUNTY, MONTANA

Upon the application of **CONTINENTAL RESOURCES, INC.** to drill and complete a well 2620' FNL and 1990' FWL of Section 24, T30N-R44E, Valley County, Montana, as an exception to any applicable well location rules. The land involved is not subject to the Board's jurisdiction and the decision in this matter will be made by the Bureau of Land Management of the United States Department of the Interior.

Docket No. 148-2002

APPLICANT: CONTINENTAL RESOURCES, INC. – FALLON COUNTY, MONTANA

Upon the application of **CONTINENTAL RESOURCES, INC.** to amend the field rules for the West Cedar Hills – Red River "B" Unit, Fallon County, Montana, to authorize the drilling of a boundary horizontal injection well at a location such that the horizontal displacement in the well bore will be approximately 4500 feet in the West Cedar Hills – Red River "B" Unit, Fallon County, Montana, and approximately 1500 feet in the Cedar Hills North – Red River "B" Unit, Bowman and Slope Counties, North Dakota, and for such other relief as the Board deems appropriate.

Docket No. 149-2002

APPLICANT: CONTINENTAL RESOURCES, INC. – FALLON COUNTY, MONTANA

Upon the application of **CONTINENTAL RESOURCES, INC.** to amend the field rules for the West Cedar Hills – Red River "B" Unit, Fallon County, Montana, to authorize the drilling of a boundary horizontal injection well at a location such that the horizontal displacement in the well bore will be approximately 2000 feet in the West Cedar Hills – Red River "B" Unit, Fallon County, Montana, and approximately 4500 feet in the Cedar Hills North – Red River "B" Unit, Bowman and Slope Counties, North Dakota, and for such other relief as the Board deems appropriate.

Docket No. 150-2002

APPLICANT: ENCANA ENERGY RESOURCES INC. – BLAINE COUNTY, MONTANA

Upon the application of **ENCANA ENERGY RESOURCES, INC.** to enlarge the Battle Creek Gas Field in Blaine County, Montana, as delineated by Board Orders 40-86, 76-92, 187-2001 and 188-2001, to include the following described lands in Blaine County, Montana:

T 37N-R18E

Section 36: All

T37N-R19E

Section 29: All

Section 30: All

Section 31: All

Section 32: All

Section 33: All

T36N-R19E

Section 5: All

T35N-R19E

Section 8: All

Section 14: All

Section 17: All

T35N-R20E

Section 2: All

Docket No. 151-2002

APPLICANT: ENCANA ENERGY RESOURCES INC. – LIBERTY COUNTY, MONTANA

Upon the application of **ENCANA ENERGY RESOURCES INC.** to drill and produce its proposed PCE Mattson 1-15 test well located approximately 322' FNL and 1177' FEL of Section 15, T34N-R6E, Liberty County, Montana, as an exception to A.R.M. 36.22.702 and Board Order 62-93.

Docket No. 152-2002

APPLICANT: ENCANA ENERGY RESOURCES INC. – BLAINE COUNTY, MONTANA

Upon the application of **ENCANA ENERGY RESOURCES INC.** for an order authorizing applicant to drill up to four wells within Section 36, T35N-R20E, Blaine County, Montana, to test for the presence of Eagle Formation natural gas and to drill, complete and produce said wells as exceptions to A.R.M. 36.22.702 and Board Order 62-93.

Docket No. 153-2002

APPLICANT: ENCANA ENERGY RESOURCES INC. – BLAINE COUNTY, MONTANA

Upon the application of **ENCANA ENERGY RESOURCES INC.** to drill up to four wells in Section 24, T37N-R18E, Blaine County, Montana, to test for the presence of Eagle Formation natural gas as exceptions to A.R.M. 36.22.702 and Board Order 62-93.

Docket No. 154-2002

APPLICANT: NANCE PETROLEUM CORPORATION – SHERIDAN COUNTY, MONTANA

Upon the application of **NANCE PETROLEUM CORPORATION** to designate Lots 13, 14, 15, 16, SW¼ of Section 1, T33N-R58E and the SE¼ of Section 2, T33N-R58E, Sheridan County, Montana, as a 480 acre temporary spacing unit for the Gunton Formation and to drill a horizontal test well in said temporary spacing unit with a surface location 400' FSL and 1600' FWL of said Section 1 with a proposed bottomhole location 400' FSL and 1400' FEL of said Section 2. Applicant indicates that the horizontal lateral shall at no point be located less than 330 feet from the Southern boundary of the temporary spacing unit.

Docket No. 155-2002

APPLICANT: J. BURNS BROWN OPERATING COMPANY – TOOLE COUNTY, MONTANA

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill a gas test well in those formations from the surface to the base of the Swift Formation in a 640 acre temporary spacing unit consisting of the S½ of Section 29, T36N-R1E and the N½ of Section 32, T36N-R1E, Toole County, Montana, at a location not less than 990 feet from the exterior boundaries of such unit and to designate the N½ of Section 29, T36N-R1E and the S½ of Section 32, T36N-R1E, Toole County, Montana, as 320 acre temporary spacing units for those formations from the surface to the base of the Swift Formation with 660 foot setback requirements for any well drilled in such units.

Docket No. 156-2002

APPLICANT: STAGHORN ENERGY, LLC – SHERIDAN COUNTY, MONTANA

Upon the application of **STAGHORN ENERGY, LLC** to designate the SW¼ of Section 15, T34N-R57E, Sheridan County, Montana, as a 160 acre permanent spacing unit for the Madison Formation and designating the Christensen 1-A well as the permitted well within said spacing unit.

Docket No. 157-2002

APPLICANT: ATHENA ENERGY – LIBERTY COUNTY, MONTANA

Upon the application of **ATHENA ENERGY** to designate the NE¼ of Section 15 and the SE ¼ of Section 15, both in T34N-R4E, Liberty County, Montana, as 160 acre permanent spacing units for production of gas underlying said lands and to require a 660 foot setback from the exterior boundaries of said permanent spacing units for any wells drilled in said spacing units.

Docket No. 158-2002

APPLICANT: CAM WEST II L.P. – SHERIDAN COUNTY, MONTANA

Upon the application of **CAM WEST II L.P.** for a Class II Injection Well Permit for its Hellegaard A-2 well located in the SENW of Section 8, T37N-R57E, Sheridan County, Montana. The source of fluids to be injected will be produced water from the Nisku Unit, Flat Lake Ratcliffe and Dakota makeup water. The zone into which injection

will occur is the Nisku Formation at a depth of 7990 to 8020 feet. An aquifer exemption will not be requested as part of the application since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.

Docket No. 159-2002

APPLICANT: CAM WEST II L.P. – SHERIDAN COUNTY, MONTANA

Upon the application of **CAM WEST II L.P.** for a Class II Injection Well Permit for its a. McKinnon #1 well located in the SENW of Section 9, T37N-R57E, Sheridan County, Montana. The source of fluids to be injected will be produced water from the Nisku Unit, Flat Lake Ratcliffe and Dakota makeup water. The zone into which injection will occur is the Nisku Formation at a depth of 7990 to 8020 feet. An aquifer exemption will not be requested as part of the application since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.

Docket No. 160-2002

APPLICANT: CAM WEST II L.P. – SHERIDAN COUNTY, MONTANA

Upon the application of **CAM WEST II L.P.** for a Class II Injection Well Permit for its Ward 10-H well located in the NW¼ of Section 11, T37N-R57E, Sheridan County, Montana. The source of fluids to be injected will be produced water from the Nisku Unit, Flat Lake Ratcliffe and Dakota makeup water. The zone into which injection will occur is the Nisku Formation at a depth of 7990 to 8020 feet. An aquifer exemption will not be requested as part of the application since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.

Docket No. 161-2002

APPLICANT: CAM WEST II L.P. – SHERIDAN COUNTY, MONTANA

Upon the application of **CAM WEST II L.P.** for a Class II Injection Well Permit for its Hansen #2-3 well located in the SWSE of Section 11, T37N-R57E, Sheridan County, Montana. The source of fluids to be injected will be produced water from the Nisku Unit, Flat Lake Ratcliffe and Dakota makeup water. The zone into which injection will occur is the Nisku Formation at a depth of 7990 to 8020 feet. An aquifer exemption will not be requested as part of the application since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.

Docket No. 162-2002

APPLICANT: CAM WEST II L.P. – SHERIDAN COUNTY, MONTANA

Upon the application of **CAM WEST II L.P.** for a Class II Injection Well Permit for its Joyes-State #4 well located in the NENW of Section 16, T37N-R57E, Sheridan County, Montana. The source of fluids to be injected will be produced water from the Nisku Unit, Flat Lake Ratcliffe and Dakota makeup water. The zone into which injection will occur is the Nisku Formation at a depth of 7990 to 8020 feet. An aquifer exemption will not be requested as part of the application since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.

Docket No. 163-2002

APPLICANT: TAB MCGINLEY – SHERIDAN COUNTY, MONTANA

Upon the application of **TAB MCGINLEY** to remove the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 2 and Lots 3 and 4 of Section 11, T33N-R55E, Sheridan County, Montana, from the East Green Coulee Field and to drill an oil well 510' FWL and 1150' FSL of said Section 2 to test the Red River Formation as an exception to A.R.M. 36.22.702 (3). Applicant further requests that the SW $\frac{1}{4}$ of Section 2, T33N-R55E be designated as a temporary spacing unit for the proposed well and any producing formations encountered in said well.

Docket No. 11-2002 FED

APPLICANT: OCEAN ENERGY, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill an Eagle Sand Formation gas well at a location anywhere in Section 7, T29N-R15E, Hill County, Montana, but not closer than 990 feet to the spacing unit boundaries as an exception to A.R.M. 36.22.702. The lands which are the subject of this application are within the sole jurisdiction of the Bureau of Land Management of the United States Department of the Interior and that agency will make the ruling on this application.

Docket No. 164-2002

APPLICANT: OCEAN ENERGY, INC. – BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill an additional Eagle Sand gas well anywhere within Section 12, T26N-R18E, Blaine County, Montana, but not closer than 660 feet to the exterior boundaries thereof as an exception to A.R.M. 36.22.702.

Docket No. 165-2002

APPLICANT: OCEAN ENERGY, INC. – BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill an additional Eagle Sand Formation gas well anywhere within Section 13, T26N-R18E, Blaine County, Montana, but not closer than 990 feet to the exterior boundaries thereof as an exception to A.R.M. 36.22.702.

Docket No. 166-2002

APPLICANT: OCEAN ENERGY, INC. – BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill an additional Eagle Sand Formation gas well 1650' FNL and 1450' FWL of Section 12, T27N-R18E, Blaine County, Montana, with a 150 foot topographic tolerance as an exception to Board Order 45-76 (Sawtooth Mountain Field).

Docket No. 167-2002

APPLICANT: OCEAN ENERGY, INC. – CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill an Eagle-Virgelle Formation gas well 606' FSL and 2486' FEL of Section 22, T27N-R15E, Chouteau County, Montana, with a 75 foot tolerance for topographic reasons as an exception to Board Order 26-74 (Bullwacker Field).

Docket No. 168-2002

APPLICANT: OCEAN ENERGY, INC. – CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill an Eagle-Virgelle Formation gas well 301' FNL and 1741' FWL of Section 31, T27N-R16E, Chouteau County, Montana, with a 75 foot tolerance for topographic reasons as an exception to Board Order 26-74 (Bullwacker Field).

Docket No. 169-2002

APPLICANT: OCEAN ENERGY, INC. – CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill an Eagle-Virgelle Formation gas well 216' FNL And 1156' FWL of Section 27, T27N-R15E, Chouteau County, Montana, with a 75 foot tolerance for topographic reasons as an exception to Board Order 26-74 (Bullwacker Field).

Docket No. 170-2002

APPLICANT: OCEAN ENERGY, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill its US #22-10-32-17 well 2150' FSL and 1350' FEL of Section 22, T32N-R17E, Hill County, Montana, with a 200 foot tolerance for topographic reasons as an exception to Board Orders 10-70 and 46-78 (Tiger Ridge Field).

Docket No. 171-2002

APPLICANT: OCEAN ENERGY, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill its US #22-01-32-17 well 990' FNL and 1150' FEL of Section 22, T32N-R17E, Hill County, Montana, with a 200 foot tolerance for topographic reasons as an exception to Board Orders 10-70 and 46-78 (Tiger Ridge Field).

Docket No. 172-2002

APPLICANT: OCEAN ENERGY, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill its Davey #15-13-32-17 well 745' FWL and 715' FSL of Section 15, T32N-R17E, Hill County, Montana, with a 150 foot tolerance for topographic reasons as an exception to Board Orders 10-70 and 46-78 (Tiger Ridge Field).

Docket No. 173-2002

APPLICANT: OCEAN ENERGY, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill its Davey #21-09-32-17 well 800' FEL and 2485' FSL of Section 21, T32N-R17E, Hill County, Montana, with a 150 foot tolerance in any direction for topographic reasons as an exception to Board Order 10-70 (Tiger Ridge Field).

Docket No. 174-2002

APPLICANT: OCEAN ENERGY, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to drill its Davey #21-16-32-17 well 990' FEL and 200' FSL of Section 21, T32N-R17E, Hill County, Montana, with a 100 foot tolerance in any direction for topographic reasons as

an exception to Board Order 10-70 (Tiger Ridge Field).

Docket No. 175-2002

APPLICANT: OCEAN ENERGY, INC. – HILL AND BLAINE COUNTIES, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to establish a 320 acre temporary spacing unit consisting of the S½ of Section 24, T32N-R17E, Hill and Blaine Counties, Montana, with 990 foot setbacks from the exterior boundaries thereof with a 150 foot topographic tolerance for purposes of drilling an Eagle Sand Formation gas well therein as an exception to A.R.M. 36.22.702.

Docket No. 176-2002

APPLICANT: OCEAN ENERGY, INC. – HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY, INC.** to establish an 80 acre temporary spacing unit comprised of the S½SW¼ of Section 23, T32N-R17E, Hill County, Montana, and authorizing the drilling of an Eagle Sand Formation gas well therein 1150' FSL and 1250' FWL with a 150 foot tolerance in any direction for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 177-2002

APPLICANT: GREAT NORTHERN DRILLING CO., INC. – LIBERTY COUNTY, MONTANA

Upon the application of **GREAT NORTHERN DRILLING CO., INC.** to establish a 320 acre temporary spacing unit consisting of the W½SW¼ of Section 4, the E½SE¼ of Section 5, the E½NE¼ of Section 8, and the W½NW¼ of Section 9, all in T34N-R4E, Liberty County, Montana, for all zones from the surface of the earth to the top of the Rierdon Formation. Applicant proposes to drill said well either 150' FSL and 150' FEL of said Section 5 or 150' FSL and 150' FWL of said Section 4, and requests a 50 foot tolerance for topographic reasons.

Docket No. 178-2002

APPLICANT: TAYLOR WELL OPERATING, INC. – LIBERTY COUNTY, MONTANA

Upon the application of **TAYLOR WELL OPERATING, INC.** to enlarge the Grandview Field established by Board Order 49-67 to include therein the N½ of Section 22, T34N-R4E, Liberty County, Montana

Docket No. 179-2002

APPLICANT: TAYLOR WELL OPERATING, INC. – LIBERTY COUNTY, MONTANA

Upon the application of **TAYLOR WELL OPERATING, INC.** to pool all interests in and to the N½ of Section 22, T34N-R4E, Liberty County, Montana for the development, operating and production of Bow Island Formation natural gas from applicant's No. 2-22 well located 660' FNL and 1980' FEL of said Section 22.

Docket No. 180-2002

APPLICANT: BALLARD PETROLEUM HOLDINGS LLC – STILLWATER COUNTY, MONTANA

Upon the application of **BALLARD PETROLEUM HOLDINGS LLC** to drill a gas test well to test those formations from the surface to the base of the Telegraph Creek Formation in a 640 acre temporary spacing unit consisting of the E½ of Section 21 and the W½ of Section 22, T3S-R20E, Stillwater County, Montana, at a location not less than 990 feet from the exterior boundaries of such unit. Applicant also requests that the W½ of Section 21, T3S-R20E and the E½ of Section 22, T3S-R20E be designated as 320 acre temporary spacing units for said

formations as exceptions to A.R.M. 36.22.702.

Docket No. 181-2002

APPLICANT: WESTECH ENERGY CORPORATION – POWDER RIVER COUNTY, MONTANA

Upon the application of **WESTECH ENERGY CORPORATION** to drill an oil and gas well to test the Minnelusa “C” Formation at a location 970’ FSL and 600’ FEL of Section 29, T9S-R51E, Powder River County, Montana with a 100 foot tolerance for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 182-2002

APPLICANT: WESTECH ENERGY CORPORATION – POWDER RIVER COUNTY, MONTANA

Upon the application of **WESTECH ENERGY CORPORATION** to drill an oil and gas well to test the Dakota Formation at a location 450’ FSL and 1200’ FWL of Section 20, T9S-R51E, Powder River County, Montana, with a 100 foot tolerance for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 183-2002

APPLICANT: WESTECH ENERGY CORPORATION – POWDER RIVER COUNTY, MONTANA

Upon the application of **WESTECH ENERGY CORPORATION** to drill an oil and gas well to test the Minnelusa “C” Formation at a location 2530’ FSL and 400’ FWL of Section 23, T9S-R50E, Powder River County, Montana, with a 100 foot tolerance for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 184-2002

APPLICANT: WESTECH ENERGY CORPORATION – POWDER RIVER COUNTY, MONTANA

Upon the application of **WESTECH ENERGY CORPORATION** to drill an oil and gas well to test the Dakota Formation at a location 2550’ FNL and 1970’ FEL of Section 26, T9S-R50E, Powder River County, Montana, with a 75 foot tolerance for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 185-2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill and produce an additional Eagle Sand Formation gas well 1664’ FNL and 1000’ FWL of Section 30, T34N-R15E, Hill County, Montana, with a 75 foot tolerance for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 186-2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the S½ of Section 18 and the N½ of Section 19, T36N-R16E, Hill County, Montana, as a temporary spacing unit and to authorize the drilling of an Eagle Sand Formation gas well 225’ FNL and 1400’ FWL of said Section 19 with a 100 foot tolerance in any direction for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 187-2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the S½ of Section 19 and the N½ of Section 30, T36N-R16E, Hill County, Montana, as a temporary spacing unit and to authorize the drilling of an Eagle Sand Formation gas well 110' FSL and 1000' FWL of said Section 19 with a 100 foot tolerance in any direction for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 188-2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the S½ of Section 30 and the N½ of Section 31, T34N-R15E, Hill County, Montana, as a temporary spacing unit and to authorize the drilling of an Eagle Sand Formation gas well 173' FNL and 1000' FWL of said Section 31 with a 75 foot tolerance in any direction for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 189-2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 27, T36N-R15E, Hill County, Montana, as a temporary spacing unit and to authorize the drilling of an Eagle Sand Formation gas well 349' FSL and 1605' FEL of said Section 27 with a 75 foot tolerance in any direction for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 190-2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill an additional Eagle Sand Formation gas well within the permanent spacing unit comprised of the E½ of Section 7, T33N-R17E, Hill County, Montana, 2320' FSL and 1400' FEL with a 100 foot tolerance for topographic reasons as an exception to Board Orders 25-78 and 36-79 (Coal Coulee Field).

Docket No. 191-2002

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the E½ of Section 25, T34N-R17E, and the W½ of Section 30, T34N-R18E, Blaine County, Montana, as a temporary spacing unit for Eagle Sand Formation production and to authorize the drilling of an Eagle Sand Formation gas well 25' FEL and 1800' FNL of said Section 25 with a 75 foot tolerance in any direction for topographic reasons as an exception to A.R.M. 36.22.702 and Board Order 61-2001.

Docket No. 192-2002

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the S½ of Section 25, T35N-R19E, Blaine County, Montana, as a permanent spacing unit for the production of gas from the Eagle Sand Formation.

Docket No. 193-2002

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to pool all interests in the spacing unit comprised of the S½ of Section 25, T35N-R19E, Blaine County, Montana, for the production of Eagle Sand Formation gas and impose the non-joinder costs provided by Section 82-11-202 (2), M.C.A. for purposes of drilling the Pursley #25-35-19 well.

Docket No. 194-2002

APPLICANT: HIGHLINE EXPLORATION, INC. – BIG HORN COUNTY, MONTANA

Upon the application of **HIGHLINE EXPLORATION, INC.** to authorize the Board's staff to issue drilling permits in locations and to formations authorized by the Toluca Gas Field rules pursuant to Board Orders 28-83 and 42-2002.

Docket No. 110-2002

APPLICANT: ENCORE OPERATING, L.P. – DAWSON, FALLON, PRAIRIE AND WIBAUX COUNTIES, MONTANA

Upon the application of **ENCORE OPERATING, L.P.** for certification of the eligibility of the following described wells for the tax incentives provided by Section 15-36-304 (f), M.C.A.

Well Name	Wells with BHL Recompletion		County	Location
	API No	Date		
Cabin Creek 12-21H	25-025-05515	10/25/2001	Fallon	21-T10N-R58E
Cabin Creek 34-21H	25-025-05507	9/30/2001	Fallon	21-T10N-R58E
Cabin Creek 41X-01H	25-025-05593	11/1/2001	Fallon	1-T10N-R57E
Coral Creek 11-33CCH	25-025-21365	4/21/2001	Fallon	33-T7N-R60E
Coral Creek 12-33CCH	25-025-21926	3/9/2001	Fallon	33-T7N-R60E
Coral Creek 23X-32CCH	25-025-21853	4/2/2001	Fallon	32-T7N-R60E
Coral Creek 24-34CCH	25-025-05167	3/28/2002	Fallon	34-T7N-R60E
Coral Creek 41-32CCH	25-025-21930	5/2/2001	Fallon	32-T7N-R60E
Coral Creek 43-32CCH	25-025-21925	6/20/2001	Fallon	32-T7N-R60E
Little Beaver 12-34H	25-025-05070	1/2/2002	Fallon	34-T5N-R61E
Little Beaver 12X-12H	25-025-05691	3/23/2002	Fallon	12-T4N-R61E
Little Beaver 44-13RH	25-025-21436	1/25/2002	Fallon	13-T4N-R61E
Little Beaver 44-30H	25-025-05007	2/16/2002	Fallon	30-T4N-R62E

North Pine 11X-19CH	25-021-05006	8/17/2001	Dawson	19-T13N-R56E
North Pine 34X-29CH	25-079-21025	8/5/2000	Prairie	29-T13N-R56E
North Pine 33X-19CH	25-021-21004	8/7/2000	Dawson	19-T13N-R56E
Pennel 11-07BH	25-025-05247	9/3/2001	Fallon	7-T7N-R60E
Pennel 11-12H	25-025-21284	9/20/2000	Fallon	12-T8N-R59E
Pennel 11-13H	25-025-21268	9/8/2001	Fallon	13-T8N-R59E
Pennel 11X-14H	25-025-21123	1/17/2002	Fallon	14-T8N-R59E
Pennel 11-33CH	25-025-21455	11/28/2000	Fallon	33-T8N-R60E
Pennel 11X-20BH	25-025-21855	9/23/2001	Fallon	20-T7N-R60E
Pennel 13-23H	25-025-05326	2/26/2002	Fallon	23-T8N-R59E
Pennel 22-21BH	25-025-05208	6/21/2001	Fallon	21-T7N-R60E
Pennel 24-11H	25-025-05726	11/11/2000	Fallon	11-T8N-R59E
Pennel 24-15H	25-025-05345	8/20/2001	Fallon	15-T8N-R59E
Pennel 24X-13H	25-025-21456	7/28/2001	Fallon	13-T8N-R59E
Pennel 32-15BH	25-025-21355	10/7/2001	Fallon	15-T7N-R60E
Pennel 33-06BH	25-025-21195	9/15/2001	Fallon	6-T7N-R60E
Pennel 33-11H	25-025-21253	3/16/2002	Fallon	11-T8N-R59E
Pennel 33-17BH	25-025-21221	7/20/2001	Fallon	17-T7N-R60E
Pennel 33X-24H	25-025-21428	11/25/2000	Fallon	24-T8N-R59E
Pennel 34-10H	25-025-21917	8/19/2001	Fallon	10-T8N-R59E
Pennel 42-15H	25-025-05351	3/25/2002	Fallon	15-T8N-R59E
Pennel 42-22H	25-025-05334	8/13/2001	Fallon	22-T8N-R59E
Pennel 42-27BH	25-025-05189	9/29/2000	Fallon	27-T7N-R60E
Pennel 42X-04H	25-025-21030	8/5/2001	Fallon	4-T8N-R59E
Pennel 42X-16RH	25-025-05349	12/30/2001	Fallon	16-T8N-R59E
South Pine 24X-10AH	25-109-21144	10/8/2001	Wibaux	10-T11N-R57E

Docket No. 59-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 33, T36N-R16E, Hill County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A. .

Docket No. 61-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 10, T36N-R15E, Hill County, Montana, for production of gas from the Niobrara Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A.

Docket No. 63-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 2, T35N-R15E, Hill County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A.

Docket No. 65-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 26, T35N-R19E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A for purposes of drilling, completing and operating the Pursley-Federal #26-35-19 well.

Docket No. 66-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in Section 26, T35N-R19E, Blaine County, Montana, for production of Eagle Sand Formation gas and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A. for purposes of drilling, completing and operating the Federal #26-35-19B well.

Docket No. 68-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 22, T34N-R19E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A.

Docket No. 70-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 6, T34N-R14E, Hill County, Montana, for production of gas from the Judith River Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A.

Docket No. 72-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 18, T34N-R18E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A.

Docket No. 76-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 23, T33N-R16E, Hill County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A.

Docket No. 78-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of the S½ of Section 20 and the N½ of Section 29, T35N-R17E, Hill County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A..

Docket No. 80-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of the N½ of Section 20, T35N-R17E, Hill County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A.

Docket No. 82-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – CHOUTEAU COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 15, T26N-R16E, Chouteau County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A. for purposes of drilling, completing and operating the Federal #15-26-16C well.

Docket No. 83-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 22, T35N-R19E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A. for purposes of drilling, completing and operating the Federal #22-35-19B well.

Docket No. 84-2002
Continued from March, 2002

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** for an order pooling all interests in the permanent spacing unit comprised of Section 1, T33N-R18E, Blaine County, Montana, for production of gas from the Eagle Sand Formation and imposing the non-joinder costs provided by Section 82-11-202 (2), M.C.A. for purposes of drilling, completing and operating the Hall #1-33-18C well.

Docket No. 195-2002
ORDER TO SHOW CAUSE

RESPONDENT: FULTON FUEL COMPANY – TOOLE COUNTY, MONTANA

Upon the Board’s own motion requiring **FULTON FUEL COMPANY** to appear and show cause why it should be allowed to continue operating the Rossmiller-Fey 4-27 well which is not on its bond.

DOCKET NO. 142-2000
ORDER TO SHOW CAUSE
Continued from December, 2000

RESPONDENT: ROCKY MOUNTAIN OPERATING COMPANY – BIG HORN COUNTY, MONTANA

Upon the Board’s own order requiring **ROCKY MOUNTAIN OPERATING COMPANY** to appear and show cause why the Board should not act to correct Rocky Mountain Operating Company’s yearly spills from its four producing oil wells from the Tensleep Sandstone in Snyder Creek Field, Big Horn County, Montana.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Terri Perrigo, Executive Secretary