IN THE MATTER OF THE APPLICATION OF K2 AMERICA CORP. TO DELINEATE LOTS 3 AND 4, SW¼ (W½) OF SECTION 3, T32N-R6W, GLACIER COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF NATURAL GAS.

Docket No. 107-2003 and 2-2003 FED

ORDER NO. 81-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 K2 America Corp. is granted insofar as the subject lands are within the jurisdiction of this Board. To the extent that they are not, the United States Bureau of Land Management will issue an order covering those lands.

BOARD ORDER NO. 81-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

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 Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF K2 AMERICA CORP. TO AUTHORIZE TWO WELLS WITHIN SECTION 27, T33N-R6W, GLACIER COUNTY, MONTANA, TO TEST FOR NATURAL GAS AS AN EXCEPTION TO THE STATEWIDE RULE. PROPOSED WELLS ARE THE SPRING CREEK 4-27 LOCATED APPROXIMATELY 1025' FNL AND 1285' FWL AND THE SPRING CREEK 9-27 LOCATED APPROXIMATELY 2412' FSL AND 1100' FEL OF SAID SECTION

Docket No. 108-2003 and 3-2003 FED

ORDER NO. 82-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that, to the extent that the subject wells are within the jurisdiction of this Board, the application of K2 America Corp is granted. The United States Bureau of Land Management will issue a separate order concerning lands within its jurisdiction.

BOARD ORDER NO. 82-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF K2 AMERICA CORP. TO DRILL TWO NATURAL GAS TEST WELLS WITHIN SECTION 35, T33N-R6W, GLACIER COUNTY, MONTANA, AS EXCEPTIONS TO THE CUT BANK FIELD RULES. PROPOSED WELLS ARE THE SPRING CREEK 6-35 LOCATED APPROXIMATELY 1471' FNL AND 1449' FWL AND THE SPRING CREEK 10-35 LOCATED APPROXIMATELY 1627' FSL AND 1400' FEL OF SAID SECTION

ORDER NO. 83-2003

Docket No. 109-2003 and 4-2003 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that, to the extent the Board has jurisdiction, the application of K2 America Corp. is approved as applied for. The United States Bureau of Land Management will issue an additional order concerning those lands which are within its jurisdiction.

BOARD ORDER NO. 83-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF K2 AMERICA CORP. TO DRILL TWO WELLS WITHIN SECTION 9, T32N-R6W, GLACIER COUNTY, MONTANA, AS AN EXCEPTION TO THE STATEWIDE RULE. PROPOSED WELLS ARE THE SPRING CREEK 4-9 LOCATED APPROXIMATELY 990' FNL AND 1070' FWL AND THE SPRING CREEK 10-9 LOCATED APPROXIMATELY 1738' FSL AND 1593' FEL OF SAID SECTION.

ORDER NO. 84-2003

Docket No. 110-2003 and 5-2003 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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, to the extent the Board has jurisdiction, the application of K2 America Corp. is granted as applied for. The United States Bureau of Land Management will issue a separate order for lands under its jurisdiction.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF K2 AMERICA CORP. TO DRILL TWO WELLS IN SECTION 4, T32N-R6W, GLACIER COUNTY, MONTANA, TO TEST FOR THE PRESENCE OF NATURAL GAS AS AN EXCEPTION TO THE STATEWIDE RULE. PROPOSED WELLS ARE THE SPRING CREEK 4-4 LOCATED APPROXIMATELY 1018' FNL AND 1273' FWL AND THE SPRING CREEK 16-4 LOCATED APPROXIMATELY 990' FSL AND 1240' FEL OF SAID SECTION.

ORDER NO. 85-2003

Docket No. 111-2003 and 6-2003 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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, to the extent the Board has jurisdiction, K2 America Corp. is authorized two wells to test for the presence of natural gas at locations approximately 1018' FNL and 1273' FWL of Section 4, T32N-R6W and approximately 990' FSL and 1240' FEL of said Section 4 (SE¹/₄ SE ¹/₄). The United States Bureau of Land Management will issue a separate order for lands under its jurisdiction.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Tami H. Damiga Evacutiva Scaratory	

IN THE MATTER OF THE APPLICATION OF K2 AMERICA CORP. TO DRILL TWO WELLS WITHIN SECTION 20, T32N-R6W, GLACIER COUNTY, MONTANA, TO TEST FOR THE PRESENCE OF NATURAL GAS AS AN EXCEPTION TO THE STATEWIDE RULE. PROPOSED WELLS ARE THE SPRING CREEK 4-20 LOCATED APPROXIMATELY 1277' FNL AND 1043' FWL AND THE SPRING CREEK 15-20 LOCATED APPROXIMATELY 1141' FSL AND 1634' FEL OF SAID SECTION.

ORDER NO. 86-2003

Docket No. 112-2003 and 7-2003 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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, to the extent the Board has jurisdiction, the application of K2 America Corp. is granted as applied for. The United States Bureau of Land Management will issue a separate order for lands under its jurisdiction.

BOARD ORDER NO. 86-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF K2 AMERICA CORP. TO DRILL A WELL APPROXIMATELY 790' FSL AND 1825' FEL OF SECTION 34, T33N-R6W, GLACIER COUNTY, MONTANA, AS AN EXCEPTION TO THE STATEWIDE RULE.

ORDER NO. 87-2003

Docket No. 113-2003 and 8-2003 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that, to the extent the Board has jurisdiction, the application of K2 America Corp. to drill the requested well at the requested location is granted. The United States Bureau of Land Management will issue a separate order for lands under its jurisdiction.

BOARD ORDER NO. 87-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 88-2003

IN THE MATTER OF THE APPLICATION OF SOMONT OIL CO., INC. TO REMOVE SECTION 10, T36N-R4W, TOOLE COUNTY, MONTANA, FROM THE FITZPATRICK LAKE FIELD AND RESPACE IT; TO ALLOW INCREASED DRILLING DENSITY IN THE AMANDA FIELD; AND TO SPACE SECTION 26, T36N-R4W, TOOLE COUNTY, MONTANA BELOW THE DAKOTA AND THROUGH THE SWIFT FORMATION ON QUARTER SECTION SPACING UNITS.

Docket No. 114-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the Conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 hereafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Fitzpatrick Lake Field rules as they apply to Section 10, T36N-R4W, Toole County, Montana, are amended to provide for 160-acre quarter section spacing units for all formations from the surface to and through the Swift Formation.

IT IS FURTHER ORDERED that increased drilling density is allowed in the Amanda Field including Sections 14, 22, 23, W½ of Section 24 and the W½ of Section 25, T36N-R4W, Toole County, Montana, from the present one well per spacing unit to two wells per spacing unit with one well permitted per quarter section.

IT IS FURTHER ORDERED that Section 26, T36N-R4W, Toole County, Montana, is divided into quarter section spacing units for all formations below the Dakota and through the Swift Formation.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

Denzil Young, Vice Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member	Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member	Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member	David Ballard, Chairman
Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member	Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member	Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member	
Jack King, Board Member Allen Kolstad, Board Member	Jack King, Board Member Allen Kolstad, Board Member	Jack King, Board Member Allen Kolstad, Board Member	Denzil Young, Vice Chairman
Allen Kolstad, Board Member	Allen Kolstad, Board Member	Allen Kolstad, Board Member	Jerry Kennedy, Board Member
			Jack King, Board Member
Elaine Mitchell, Board Member	Elaine Mitchell, Board Member	Elaine Mitchell, Board Member	Allen Kolstad, Board Member
			Elaine Mitchell, Board Member

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTION 18, T25N-R54E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND DESIGNATING APPLICANT'S IRIGOIN #24X-18 WELL AS THE ONLY AUTHORIZED WELL FOR SAID

Docket No. 115-2003

SPACING UNIT.

concludes as follows:

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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

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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Headington Oil, Limited Partnership is granted as applied for.

ORDER NO. 89-2003

BOARD ORDER NO. 89-2003

ATTEST:

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David 1	Ballard, C	Chairman		
———— Denzil	Young, V	vice-Chai	irman	
Jerry K	ennedy, I	Board Me	ember	
Jack K	ing, Boar	d Membe	er	
Allen I	Kolstad, B	Board Me	mber	
 Elaine	Mitchell,	Board M	lember	

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTION 19, T24N-R55E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND DESIGNATING APPLICANT'S VAIRA #24X-19 WELL AS THE ONLY AUTHORIZED WELL FOR SAID SPACING UNIT.

ORDER NO. 90-2003

Docket No. 116-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the Conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 90-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
TTEST:	

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE LOTS 1, 2, E½NW¼, E½ OF SECTION 18, 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 DESIGNATING APPLICANT'S GLADOWSKI RANCH #41X-18 WELL AS THE ONLY AUTHORIZED WELL FOR SAID SPACING UNIT.

ORDER NO. 91-2003

Docket No. 117-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 91-2003

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTION 6 AND 7, 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 DESIGNATING APPLICANT'S FINK FARMS #23X-6 WELL AS THE ONLY AUTHORIZED WELL FOR SAID SPACING UNIT.

Docket No. 118-2003

ORDER NO. 92-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 92-2003

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

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 Kolstad, Board Member Elaine Mitchell, Board Member

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DESIGNATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 18 AND 19, T24N-R57E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF UP TO TWO DUAL-LATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 119-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Headington Oil, Limited Partnership is granted as applied for.

ORDER NO. 93-2003

BOARD ORDER NO. 93-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman
Denzil Young, Vice-Chairman
Jerry Kennedy, Board Member
Jack King, Board Member
Allen Kolstad, Board Member
Elaine Mitchell, Board Member

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DESIGNATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTION 33, T24N-R56E, AND ALL OF SECTION 4, T23N-56E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF UP TO TWO DUAL-LATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING APPLICANT TO LOCATE SAID WELLS ANYWHERE WITHIN SUCH TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES

ORDER NO. 94-2003

Docket No. 120-2003

THEREOF.

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 94-2003

ATTEST:

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman
Denzil Young, Vice-Chairman
Jerry Kennedy, Board Member
Jack King, Board Member
Allen Kolstad, Board Member
Elaine Mitchell, Board Member

ORDER NO. 95-2003

IN THE MATTER OF THE APPLICATION OF ROBINSON OIL COMPANY, LLC TO DRILL AND PRODUCE A WELL APPROXIMATELY 84' FSL AND 1660' FEL OF SECTION 10, T32N-R2E, TOOLE COUNTY, MONTANA, AS AN EXCEPTION TO THE DEVON FIELD RULES.

Docket No. 121-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Robinson Oil Company, LLC is granted as applied for.

BOARD ORDER NO. 95-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 96-2003

IN THE MATTER OF THE APPLICATION OF ROBINSON OIL COMPANY, LLC TO DRILL AND PRODUCE ITS PROPOSED MCCARTER 24-1 WELL APPROXIMATELY 110' FWL AND 1732' FNL OF SECTION 24, T32N-R2E, TOOLE COUNTY, MONTANA, AS AN EXCEPTION TO THE EAST DEVON FIELD WELL LOCATION RULES.

Docket No. 122-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Robinson Oil Company, LLC is granted as applied for.

BOARD ORDER NO. 96-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	,
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF BRANCH OIL & GAS TO DRILL A SECOND GAS WELL IN THE CENTER OF THE SE¹/₄SE¹/₄ OF SECTION 4, T34N-R4E, LIBERTY COUNTY, MONTANA, AND TO DRILL TWO WELLS IN THE E¹/₂ OF SECTION 4, T34N-R4E, LIBERTY COUNTY, MONTANA, TO EACH SEPARATE PRODUCTIVE ZONE AS EXCEPTIONS TO THE GRANDVIEW FIELD RULES.

ORDER NO. 97-2003

Docket No. 123-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner herein 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 Branch Oil & Gas is authorized to drill a second gas well in the center of the SESE of Section 4, T34N-R4E, Liberty County, Montana, as an exception to the Grandview Field rules.

IT IS FURTHER ORDERED that Branch Oil & Gas is authorized to drill two wells in the E½ of Section 4, T34N-R4E, Liberty County, Montana, to each separate productive zone with a minimum of 1320 feet between wells and a 660-foot setback from spacing unit boundaries as exceptions to the Grandview Field rules.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretar	ry

IN THE MATTER OF THE APPLICATION OF FIDELITY EXPLORATION AND PRODUCTION COMPANY TO DELINEATE THE NE¹/₄ OF SECTION 26, T9N-R58E, FALLON COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF EAGLE SAND FORMATION NATURAL GAS AS AN EXCEPTION TO THE CEDAR CREEK GAS FIELD RULES.

ORDER NO. 98-2003

Docket No. 124-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Fidelity Exploration and Production Company is granted as applied for.

BOARD ORDER NO. 98-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF FIDELITY EXPLORATION AND PRODUCTION COMPANY FOR APPROVAL OF ITS PLAN OF DEVELOPMENT FOR COAL BED METHANE EXPLORATION AND DEVELOPMENT UPON LANDS IN BIG HORN COUNTY, MONTANA.

ORDER NO. 99-2003

Docket No. 125-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 applicant's Plan of Development for coal bed methane exploration and development upon lands in Big Horn County, Montana, which is to drill and develop the following described lands on well densities greater than one well per 640 acres is granted as applied for:

T9S-R40E

Section 23: All Section 24: All Section 25: All Section 26: All

Section 35: Lots 1, 2, 3, & 4, N½S½, N½ (All) Section 36: Lots 1, 2, 3, & 4, N½S½, N½ (All)

T9S-R41E

Section 19: Lots 5, 6, 7 & 8, E½W½, E½ (All) Section 30: Lots 5, 6, 7 & 8, E½W½, E½ (All)

Section 31: Lots 8, 9, 10, 11, 12, 13 & 14, E½NW¼, NE¼SW¼, N½SE¼, NE¼ (All).

BOARD ORDER NO. 99-2003

IT IS FURTHER ORDERED that this approval is effective upon completion of an environmental assessment by Board staff.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF FIDELITY EXPLORATION AND PRODUCTION COMPANY TO ENLARGE AND RE-DELINEATE THE CX FIELD IN BIG HORN COUNTY, MONTANA, AND TO SUBJECT CERTAIN LANDS IN BIG HORN COUNTY, MONTANA, TO BOARD ORDERS 108-97 AND 174-2000.

ORDER NO. 100-2003

Docket No. 126-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the Conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Applicant's activities on the lands which are the subject of this application are governed by the Final Coal Bed Methane Environmental Impact Statement as adopted by the Record of Decision dated March 26, 2003.
- 3. 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 request of Fidelity Exploration and Production Company to add the following lands to CX Field in Big Horn County, Montana, is granted:

T9S-R40E

Section 23: All

Section 24: All

Section 25: All

Section 26: All

Section 35: Lots 1, 2, 3, & 4, N½S½, N½ (All)

Section 36: Lots 1, 2, 3, & 4, N¹/₂S¹/₂, N¹/₂ (All)

T9S-R41E

Section 19: Lots 5, 6, 7 & 8, E½W½, E½ (All)

Section 30: Lots 5, 6, 7, & 8, E½W½, E½ (All)

Section 31: Lots 8, 9, 10, 11, 12, 13, & 14, E¹/₂NW¹/₄, NE¹/₄SW¹/₄, N¹/₂SE¹/₄, NE¹/₄ (All).

BOARD ORDER NO. 100-2003

IT IS FURTHER ORDERED that applicant's request that the following described lands in Big Horn County, Montana, be subject to Board Orders 108-97 and 174-2000 which delineated permanent spacing units within the CX Field on the basis of regular quarter section spacing units with the operator permitted to drill up to four (4) wells per coal bed or horizon in each quarter section with no well located closer than 220 feet to the boundary of each quarter section is granted:

T9S-R40E

Section 23: All Section 24: All Section 25: All Section 36: Lots 1, 2, 3, & 4, N¹/₂S¹/₂, N¹/₂ (All)

T9S-R41E

Section 19: Lots 5, 6, 7 & 8, E½W½, E½ (All) Section 30: Lots 5, 6, 7 & 8, E½W½, E½ (All)

Section 31: Lots 8, 9, 10, 11, 12, 13 & 14, E½NW¼, NE¼SW¼, N½SE¼, NE¼ (All).

IT IS FURTHER ORDERED that the request to designate all of Section 26 and Lots 1, 2, 3, 4, N½S½, N½ of Section 35, T9S-R40E, Big Horn County, Montana, as permanent spacing units within the CX Field on the basis of regular governmental section spacing units with applicant permitted to drill up to sixteen wells per coal bed or horizon in each such spacing unit with no well located closer than 220 feet to the exterior boundaries of each 640-acre permanent spacing unit is also granted.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD OF OIL AND GAS CONSERVATION

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	OF THE STATE OF MONTANA
	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
ATTEST:	Elaine Mitchell, Board Member
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF SLAWSON EXPLORATION COMPANY, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF LOTS 1, 2, 3, 4, 5, 6, 7, S½NE¼, SE¼NW¼, E½SW¼, SE¼ (ALL) OF SECTION 6 AND LOTS 1, 2, 3, 4, E½W½, E½ (ALL) OF SECTION 7, T25N-R54E, RICHLAND COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF NOT MORE THAN TWO DUAL-LATERAL HORIZONTAL BAKKEN FORMATION WELLS THEREON AT LOCATIONS NOT CLOSER THAN 660 FEET TO THE BOUNDARIES OF SAID TEMPORARY SPACING UNIT.

ORDER NO. 101-2003

Docket No. 127-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 application of Slawson Exploration Company, Inc. is granted as applied for.

BOARD ORDER NO. 101-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 102-2003

IN THE MATTER OF THE APPLICATION OF SLAWSON EXPLORATION COMPANY, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF A LL OF SECTIONS 13 AND 24, T24N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL UP TO TWO DUAL-LATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING APPLICANT TO LOCATE SAID WELLS ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO BOUNDARIES THEREOF.

Docket No. 128-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Slawson Exploration Company, Inc. is granted as applied for.

BOARD ORDER NO. 102-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman
Denzil Young, Vice-Chairman
Jerry Kennedy, Board Member
Jack King, Board Member
Allen Kolstad, Board Member
Elaine Mitchell, Board Member

ORDER NO. 103-2003

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE SECTION 24, T25N-R53E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND AUTHORIZING UP TO TWO HORIZONTAL WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660 FEET FROM THE SPACING UNIT BOUNDARIES.

Docket No. 129-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Lyco Energy Corporation is granted as applied for.

BOARD ORDER NO. 103-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	serry Rennedy, Board Menber
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 104-2003

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 15, T24N-R55E, 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 FROM THE SPACING UNIT BOUNDARIES.

Docket No. 130-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Lyco Energy Corporation is granted as applied for.

BOARD ORDER NO. 104-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman
Denzil Young, Vice-Chairman
Jerry Kennedy, Board Member
Jack King, Board Member
Allen Kolstad, Board Member
Elaine Mitchell, Board Member

ORDER NO. 105-2003

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 28, T25N-R54E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND AUTHORIZING UP TO TWO HORIZONTAL WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660 FEET FROM THE SPACING UNIT BOUNDARIES.

Docket No. 131-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Lyco Energy Corporation is granted as applied for.

BOARD ORDER NO. 105-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Towi II Damina Evacutiva Capatana	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 106-2003

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 4 AND ALL OF SECTION 9, T24N-R55E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND AUTHORIZING UP TO TWO HORIZONTAL WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660 FEET FROM THE SPACING UNIT BOUNDARIES.

Docket No. 132-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Lyco Energy Corporation is granted as applied for.

BOARD ORDER NO. 106-2003

ATTEST:

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman Denzil Young, Vice-Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member

ORDER NO. 107-2003

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTION 3 AND ALL OF SECTION 10, T24N-R55E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF UP TO TWO HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING APPLICANT TO LOCATE SAID WELLS ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 133-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Lyco Energy Corporation is granted as applied for.

BOARD ORDER NO. 107-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 108-2003

IN THE MATTER OF THE APPLICATION LYCO ENERGY CORPORATION TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 20 AND 29, T25N-R54E, RICHLAND COUNTY, MONTANA, FOR DRILLING OF UP TO TWO HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING APPLICANT TO LOCATE SAID WELLS ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 134-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Lyco Energy Corporation is granted as applied for.

BOARD ORDER NO. 108-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
TTEST:	
erri H. Perrigo, Executive Secretary	

ORDER NO. 109-2003

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 23 AND 26, T24N-R55E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF UP TO TWO HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING APPLICANT TO LOCATE SAID WELLS ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 135-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Lyco Energy Corporation is granted as applied for.

BOARD ORDER NO. 109-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF EOG RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 15 AND 22, T25N-R53E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF UP TO TWO DUAL-LATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING APPLICANT TO LOCATE SAID WELLS ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES

THEREOF.

Docket No. 136-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 EOG Resources, Inc. is granted as applied for.

ORDER NO. 110-2003

BOARD ORDER NO. 110-2003

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

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 Kolstad, Board Member Elaine Mitchell, Board Member

ORDER NO. 111-2003

IN THE MATTER OF THE APPLICATION OF GREAT NORTHERN DRILLING CO., INC. TO DESIGNATE THE W1/2SW1/4 OF SECTION 4, E½SE¼ OF SECTION 5, E½NE¼ OF SECTION 8, AND THE W½NW¼ OF SECTION 9, ALL IN T34N-R4E, LIBERTY COUNTY, MONTANA, AS A 320-ACRE PERMANENT SPACING UNIT FOR ITS GRANDVIEW KSB 44X-5 WELL FOR PRODUCTION OF GAS FROM ALL ZONES FROM THE SURFACE TO THE TOP OF THE RIERDON FORMATION AND AUTHORIZING DRILLING AND PRODUCTION OF GAS FROM TWO WELLS PER PRODUCING ZONE, FORMATION OR HORIZON WITHIN SAID SPACING UNIT WITH A 660-FOOT SETBACK REQUIREMENT AND A DISTANCE OF NOT LESS THAN 1320 FEET BETWEEN WELLS PRODUCING FROM THE SAME ZONE. FORMATION OR HORIZON. [GRANDVIEW FIELD]

Docket No. 139-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Great Northern Drilling Co., Inc. is granted as applied for.

BOARD ORDER NO. 111-2003

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	

ORDER NO. 112-2003

IN THE MATTER OF THE APPLICATION OF GREAT NORTHERN DRILLING CO., INC. FOR AN ORDER POOLING ALL INTERESTS ON THE BASIS OF SURFACE ACREAGE IN THE SPACING UNIT COMPRISED OF THE W½SW¼ OF SECTION 4, THE E½SE¼ OF SECTION 5, THE E½NE¼ OF SECTION 8, AND THE W1/2NW1/4 OF SECTION 9, ALL IN T34N-R4E, LIBERTY COUNTY, MONTANA, FOR PRODUCTION OF NATURAL GAS FROM ALL ZONES FROM THE SURFACE TO THE TOP OF THE RIERDON FORMATION AND FOR THE IMPOSITION OF NON-JOINDER PENALTIES PURSUANT TO SECTION 82-11-202, M.C.A. ON EACH REFUSING OWNER WITH RESPECT TO THE DRILLING, COMPLETION AND OPERATION OF THE GRANDVIEW KSB 44X-5 WELL IN SAID SPACING UNIT. [GRANDVIEW FIELD]

Docket No. 140-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Great Northern Drilling Co., Inc. is granted as applied for.

BOARD ORDER NO. 112-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 113-2003

IN THE MATTER OF THE APPLICATION OF CAMWEST II L.P. TO DESIGNATE THE SW¼ OF SECTION 29 AND THE SE¼ OF SECTION 30, T37N-R57E, SHERIDAN COUNTY, MONTANA, AS A 320-ACRE TEMPORARY SPACING UNIT FOR THE NISKU FORMATION AND PERMITTING DRILLING OF A NISKU HORIZONTAL TEST WELL WITH A PROPOSED SURFACE LOCATION IN THE NESE OF SECTION 30. T37N-R57E AND PROVIDING THAT THAT THE LATERAL SHALL AT NO POINT PENETRATE THE NISKU FORMATION AT A DISTANCE OF LESS THAN 520 FEET FROM THE NORTHERN BOUNDARY AND 660 FEET FROM THE REMAINING EXTERIOR BOUNDARIES OF THE TEMPORARY SPACING UNIT AS AN EXCEPTION TO A.R.M. 36.22.703.

Docket No. 141-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Camwest II L.P. is granted as applied for.

BOARD ORDER NO. 113-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	
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ORDER NO. 114-2003

IN THE MATTER OF THE APPLICATION
OF KLABZUBA OIL & GAS, INC. TO DESIGNATE
ALL OF SECTION 29, T37N-R15E, HILL
COUNTY, MONTANA, AS A TEMPORARY
SPACING UNIT AND TO AUTHORIZE DRILLING
AN EAGLE SAND FORMATION GAS WELL
2544' FNL AND 781' FEL IN SAID SECTION 29
WITH A 75-FOOT TOLERANCE IN ANY DIRECTION
FOR TOPOGRAPHIC REASONS AS AN EXCEPTION
TO A R M. 36.22.702.

Docket No. 142-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Klabzuba Oil & Gas, Inc. is granted as applied for.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 114-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	

ORDER NO. 115-2003

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DESIGNATE THE SW¼ OF SECTION 20, T37N-R15E, HILL COUNTY, MONTANA, AS A TEMPORARY SPACING UNIT FOR PURPOSES OF DRILLING AND PRODUCING APPLICANT'S FEDERAL-SIGNAL BUTTE #20-37-15 EAGLE SAND FORMATION GAS WELL AT A PROPOSED LOCATION 1151' FSL AND 2111' FWL IN SAID SECTION 20 WITH A 75-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 143-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Klabzuba Oil & Gas, Inc. is granted as applied for.

BOARD ORDER NO. 115-2003

Done and performed by the Board of Oil and Ga's Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DESIGNATE THE W½ OF SECTION 14 AND THE E½ OF SECTION 15, T36N-R15E, HILL COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF GAS FROM THE EAGLE SAND FORMATION.

Docket No. 144-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

ORDER NO. 116-2003

BOARD ORDER NO. 116-2003

ATTEST:

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman Denzil Young, Vice-Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member Terri H. Perrigo, Executive Secretary

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DESIGNATE THE SW¼ OF SECTION 30 AND THE NW¼ OF SECTION 31, T34N-R15E, HILL COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF GAS FROM THE EAGLE SAND FORMATION.

Docket No. 145-2003

ORDER NO. 117-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Klabzuba Oil & Gas, Inc. is granted as applied for.

BOARD ORDER NO. 117-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 118-2003

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CONVERT ITS HUSTED #13-14SH WELL IN SECTION 14, T6N-R61E, WEST CEDAR HILLS UNIT, FALLON COUNTY, MONTANA, TO INJECT AIR INTO THE RED RIVER "B" FORMATION.

Docket No. 147-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Continental Resources, Inc. is granted as applied for.

BOARD ORDER NO. 118-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 119-2003

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CONVERT ITS HUSTED #22-15NH WELL IN SECTION 15, T6N-R61E, WEST CEDAR HILLS UNIT, FALLON COUNTY, MONTANA, TO INJECT AIR INTO THE RED RIVER "B" FORMATION.

Docket No. 148-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Continental Resources, Inc. is granted as applied for.

BOARD ORDER NO. 119-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Dangil Young Vice Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CONVERT ITS HUSTED #22-15SH WELL IN SECTION 15, T6N-R61E, WEST CEDAR HILLS UNIT, FALLON COUNTY, MONTANA, TO INJECT AIR INTO THE RED RIVER "B" FORMATION.

Docket No. 149-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Continental Resources, Inc. is granted as applied for.

ORDER NO. 120-2003

BOARD ORDER NO. 120-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 26 AND 35, T24N-R54E, RICHLAND COUNTY, MONTANA, TO DRILL UP TO TWO MULTILATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION WITH SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE PROPOSED PERMANENT SPACING UNIT BOUNDARY.

Docket No. 150-2003

ORDER NO. 121-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 time of hearing the application was modified to request temporary rather than permanent spacing.
- 3. 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 Continental Resources, Inc. is authorized to create a temporary spacing unit comprised of all of Sections 26 and 35, T24N-R54E, Richland County, Montana, to drill up to two multilateral horizontal wells in the Bakken Formation with said wells to be located anywhere within said temporary spacing unit but not less than 660 feet to the boundaries thereof.

BOARD ORDER NO. 121-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 122-2003

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTION 3, T23N-R55E AND ALL OF SECTION 34, T24N-R55E, RICHLAND COUNTY, MONTANA, TO DRILL UP TO TWO MULTILATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION WITH SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET FROM THE PROPOSED PERMANENT SPACING UNIT BOUNDARIES.

Docket No. 152-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 time of hearing the application was modified to request temporary rather than permanent spacing.
- 3. 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Continental Resources, Inc. is authorized to create a temporary spacing unit comprised of all of Section 3, T23N-R55E and all of Section 34, T24N-R55E, Richland County, Montana, to drill up to two multilateral horizontal wells in the Bakken Formation with said wells to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

BOARD ORDER NO. 122-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 15 AND 22, T24N-R54E, RICHLAND COUNTY, MONTANA, FOR DRILLING UP TO TWO MULTILATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE PROPOSED PERMANENT SPACING UNIT BOUNDARY.

Docket No. 154-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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. There was not sufficient evidence presented to support permanent spacing at this time.
- 3. 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 Continental Resources, Inc. is authorized to create a temporary spacing unit comprised of all of Sections 15 and 22, T24N-R54E, Richland County, Montana, and to drill up to two multilateral horizontal wells in the Bakken formation anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

ORDER NO. 123-2003

BOARD ORDER NO. 123-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman Denzil Young, Vice-Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member

Elaine Mitchell, Board Member

TTEST:	
erri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 3 AND 10, T23N-R54E, RICHLAND COUNTY, MONTANA, AND TO DRILL UP TO TWO MULTILATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION WITH SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE PROPOSED PERMANENT SPACING UNIT BOUNDARY.

ORDER NO. 124-2003

Docket No. 156-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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. There was not sufficient evidence presented to support permanent spacing at this time.
- 3. 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 Continental Resources, Inc. is authorized to create a temporary spacing unit comprised of all of Sections 3 and 10, T23N-R54E, Richland County, Montana, to drill up to two multilateral horizontal wells in the Bakken Formation with said wells to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof.

BOARD ORDER NO. 124-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. FOR AN EXCEPTION TO STATEWIDE WELL LOCATION RULES WITH REGARD TO SECTION 29, T34N-R22E, BLAINE COUNTY, MONTANA, BY ALLOWING APPLICANT TO DRILL A NATURAL GAS WELL 1180' FSL AND 370' FEL OF SAID SECTION 29.

Docket No. 158-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis was absent. Board member Jack King recused himself. 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Montana Land & Exploration, Inc. is granted as applied for.

ORDER NO. 125-2003

BOARD ORDER NO. 125-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF MONTANA LAND & EXPLORATION, INC. FOR AN EXCEPTION TO THE STATEWIDE WELL LOCATION RULES WITH REGARD TO SECTION 9, T33N-R22E, BLAINE COUNTY, MONTANA, BY ALLOWING APPLICANT TO DRILL A NATURAL GAS WELL 1170' FNL AND 820' FWL OF SAID SECTION 9.

ORDER NO. 126-2003

Docket No. 159-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis was absent. Board member Jack King recused himself. 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 Montana Land & Exploration, Inc. is granted as applied for.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 126-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman
Denzil Young, Vice-Chairman
Jerry Kennedy, Board Member
Allen Kolstad, Board Member
Elaine Mitchell, Board Member

IN THE MATTER OF THE BOARD'S OWN MOTION TO VACATE THE GLENDIVE FIELD RULES AND THE GAS CITY FIELD RULES WITH RESPECT TO CERTAIN LANDS IN DAWSON COUNTY, MONTANA.

ORDER NO. 127-2003

Docket No. 160-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis was absent. Board member Elaine Mitchell recused herself. 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 applying the cited field rules to the specific lands listed below no longer contributes to the conservation of oil and gas and prevention of waste 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 following lands in Dawson County, Montana, are no longer subject to the Glendive and Gas City Field rules:

	GLENDIVE FIELD			
T15N-R54E	T15N-R55E	T14N-R54E	T14N-R55E	
Section 14: All	Section 31: All	Section 1: All	Section 5: All	
Section 15: All			Section 6: All	
Section 22: E½			Section 7: W½	
Section 23: All			Section 8: E½	
			Section 16: W½NW¼	
			Section 17: W½,	
			W ¹ / ₂ SE ¹ / ₄	
			Section 18: All	

GAS CITY FIELD		
T13N-R55E	T14N-R55E	
Section 1: N½, W½SW¼, SE¼	Section 14: S½SW¼, NW¼SW¼	
Section 2: NE ¹ / ₄ NE ¹ / ₄ , SW ¹ / ₄ SW ¹ / ₄	Section 15: S½NE¼, NW¼NE¼, SE¼,	
	NW ¹ / ₄ , NE ¹ / ₄ SW ¹ / ₄	
Section 3: SW ¹ / ₄ NE ¹ / ₄ , E ¹ / ₂ NW ¹ / ₄ , N ¹ / ₂ SW ¹ / ₄ , SE ¹ / ₄ SW ¹ / ₄ , SE ¹ / ₄	Section 16: NE ¹ / ₄ , SE ¹ / ₄ NW ¹ / ₄	
	Section 20: W½NE¾, SE¼NE¼, W½,	
	SE¹⁄4	
	Section 21: W ¹ / ₂ SW ¹ / ₄	
	Section 22: E½E½, NW¼NE¼	
	Section 23: W½, SE¼, S½NE¼,	
	NW ¹ / ₄ NE ¹ / ₄	
	Section 24: SW ¹ / ₄ SE ¹ / ₄ , S ¹ / ₂ SW ¹ / ₄ ,	
	NW¹/4SW¹/4	
	Section 25: All	
	Section 26: All	
	Section 27: E ¹ / ₂ E ¹ / ₂ , SW ¹ / ₄ NE ¹ / ₄ , NW ¹ / ₄ SE ¹ / ₄	
	Section 28: W½NW¼, SE¼NW¼, SW¼,	
	W½SE¼	
	Section 29: NE ¹ / ₄	
	Section 33: E½	
	Section 34: W ¹ / ₂ SW ¹ / ₄ , SE ¹ / ₄ SW ¹ / ₄	
	Section 35: E½, E½NW¼, NW¼NW¼	
	Section 36: All	

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO DRILL AN ADDITIONAL EAGLE GAS WELL IN THE PERMANENT SPACING UNIT COMPRISED OF THE S½NE¼, N½SE¼ OF SECTION 25, T34N-R14E, HILL COUNTY, MONTANA, AT A LOCATION NOT LESS THAN 330 FEET FROM THE EXTERIOR BOUNDARIES OF SAID UNIT.

ORDER NO. 128-2003

Docket No. 161-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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. Klabzuba Oil & Gas, Inc. appeared in opposition to the application.
- 3. The evidence presented did not justify drilling a well at the requested location, and drilling said well could adversely affect correlative rights or lead to the drilling of unnecessary wells.
- 4. The evidence indicates that granting the application would not 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 J. Burns Brown Operating Company is denied.

BOARD ORDER NO. 128-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

zil Young, Vice-Chairman
zil Young, Vice-Chairman
zil Young, Vice-Chairman
y Kennedy, Board Member
King, Board Member
n Kolstad, Board Member
ne Mitchell, Board Member

ORDER NO. 129-2003

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO DRILL AN ADDITIONAL EAGLE GAS WELL IN THE PERMANENT SPACING UNIT COMPRISED OF THE S½S½ OF SECTION 25 AND THE N½N½ OF SECTION 36. T34N-R14E, HILL COUNTY, MONTANA, AT A LOCATION NOT LESS THAN 990 FEET FROM THE EXTERIOR BOUNDARIES OF SAID UNIT.

Docket No. 162-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J. Burns Brown Operating Company is granted as applied for.

BOARD ORDER NO. 129-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO POOL ALL INTERESTS ON THE BASIS OF SURFACE ACREAGE IN THE SPACING UNIT COMPRISED OF THE S½S½ OF SECTION 25 AND THE N½N½ OF SECTION 36, ALL IN T34N-R14E, HILL COUNTY, MONTANA FOR PRODUCTION OF NATURAL GAS FROM THE EAGLE FORMATION.

Docket No. 163-2003

ORDER NO. 130-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J. Burns Brown Operating Company is granted as applied for.

BOARD ORDER NO. 130-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 131-2003

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO DRILL AN ADDITIONAL EAGLE GAS WELL IN THE N½ OF SECTION 30, T32N-R19E, BLAINE COUNTY, MONTANA, AT A LOCATION 1850' FNL AND 600' FWL OF SAID SECTION 30 WITH A 75-FOOT TOLERANCE IN ANY DIRECTION EXCEPT WEST FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO THE BLACK COULEE FIELD RULES.

Docket No. 164-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 J. Burns Brown Operating Company is granted as applied for.

BOARD ORDER NO. 131-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 132-2003

IN THE MATTER OF THE APPLICATION OF NANCE PETROLEUM CORPORATION TO DESIGNATE THE W½ OF SECTION 13, T33N-R58E AND THE E1/2 OF SECTION 14, T33N-R58E, SHERIDAN COUNTY, MONTANA. AS A 640-ACRE TEMPORARY SPACING UNIT FOR THE GUNTON FORMATION AND PERMITTING THE DRILLING OF A DUAL-LATERAL HORIZONTAL TEST WELL, PROVIDED THAT THE HORIZONTAL LATERALS AT NO POINT PENETRATE THE GUNTON FORMATION AT A DISTANCE OF LESS THAN 400 FEET FROM THE NORTHERN BOUNDARY AND 660 FEET FROM THE REMAINING EXTERIOR BOUNDARIES OF THE TEMPORARY SPACING UNIT AS AN EXCEPTION TO A.R.M. 36.22.703. [BRUSH LAKE FIELD]

Docket No. 165-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Nance Petroleum Corporation is granted as applied for.

BOARD ORDER NO. 132-2003

ATTEST:

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman Denzil Young, Vice-Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member

ORDER NO. 133-2003

IN THE MATTER OF THE APPLICATION OF NANCE PETROLEUM CORPORATION TO DESIGNATE THE S½ OF SECTION 33, T33N-R58E, SHERIDAN COUNTY, MONTANA, AS A 320-ACRE PERMANENT SPACING UNIT FOR THE RED RIVER AND NISKU FORMATIONS WITH THE JEROME #15-33 WELL AS THE PERMITTED WELL IN SUCH SPACING UNIT AND TO PERMIT THE COMMINGLING OF RED RIVER AND NISKU PRODUCTION FROM SAID WELL. [CLEAR LAKE SOUTH]

Docket No. 166-2003 and 9-2003 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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, to the extent the Board has jurisdiction, the application of Nance Petroleum Corporation is granted as applied for. The United States Bureau of Land Management will issue an order in this matter covering lands under its jurisdiction.

BOARD ORDER NO. 133-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 134-2003

IN THE MATTER OF THE APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY LP TO ENLARGE THE CEDAR CREEK GAS FIELD ESTABLISHED BY BOARD ORDERS 1-61 AND 4-97 AND CREATE 320-ACRE TEMPORARY OR PERMANENT SPACING UNITS FOR PRODUCTION OF GAS FROM THE EAGLE FORMATION UNDER THE FOLLOWING LANDS IN FALLON COUNTY, MONTANA, WITH EACH SPACING UNIT TO BE COMPRISED AT THE OPTION OF THE OPERATOR OF TWO ADJACENT QUARTER SECTIONS LYING WITHIN THE FOLLOWING DESCRIBED SECTIONS WITH UP TO FOUR PERMITTED WELLS PER SPACING UNIT TO BE LOCATED NOT CLOSER THAN 660 FEET TO THE UNIT BOUNDARIES: ALL OF SECTION 36, T11N-R57E; ALL OF SECTIONS 6, 8, 16, 20 AND 28, THE E½ OF SECTION 18 AND THE E½ OF SECTION 34, ALL IN T10N-R58E; AND THE W½ OF SECTIONS 2 AND 10 AND THE E½ OF SECTION 4, ALL IN T9N-R58E.

Docket No. 167-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Ga ry Willis 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. Portions of Sections 2 and 4, T9N-R58E and all of Section 10, T9N-R58E are included in the existing Cedar Creek Gas Field delineation and the lands to be added to the field include only the NW¼ of Section 2 and the NE¼ and SW¼SE¼ of Section 4.
- 3. 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Burlington Resources Oil & Gas Company LP is granted as submitted with 320-acre temporary spacing units for production of gas from the Eagle Formation under the lands described in the caption.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 134-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL ANYWHERE IN SECTION 20, T32N-R15E, HILL COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES AS AN EXCEPTION TO BOARD ORDERS 10-70 AND 56-85. [TIGER RIDGE FIELD]

ORDER NO. 135-2003

Docket No. 169-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Ocean Energy, Inc. is granted as applied for.

BOARD ORDER NO. 135-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL TWO ADDITIONAL EAGLE SAND FORMATION GAS WELLS ANYWHERE WITHIN SECTION 9, T26N-R20E, BLAINE COUNTY, MONTANA, NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF WITH A 200-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 136-2003

Docket No. 172-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 application was modified to request authorization to drill one additional well in Section 9 with said well to be located not closer than 990 feet to the section boundaries.
- 3. 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, Inc. is authorized to drill an additional Eagle Formation gas well in Section 9, T26N-R20E, Blaine County, Montana, but not closer than 990 feet to the section boundaries.

BOARD ORDER NO. 136-2003

ATTEST:

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman Denzil Young, Vice-Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member

ORDER NO. 137-2003

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN ADDITIONAL EAGLE-VIRGELLE FORMATION GAS WELL ANYWHERE WITHIN THE SPACING UNIT COMPRISED OF THE N½ OF SECTION 27, T27N-R17E, BLAINE COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF WITH A 150-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDER 26-74. [BULLWACKER FIELD]

Docket No. 173-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Ocean Energy, Inc. is granted as applied for.

BOARD ORDER NO. 137-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN EAGLE-VIRGELLE FORMATION GAS WELL 1330' FSL AND 1930' FEL OF SECTION 25, T27N-R15E, CHOUTEAU COUNTY, MONTANA, WITH A 200-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDER 26-74. [BULLWACKER FIELD]

Docket No. 175-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Ocean Energy, Inc. is granted as applied for.

ORDER NO. 138-2003

BOARD ORDER NO. 138-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman	-
Denzil Young, Vice-Chairman	
Jerry Kennedy, Board Member	
Jack King, Board Member	
Allen Kolstad, Board Member	
Elaine Mitchell, Board Member	

ORDER NO. 139-2003

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN ADDITIONAL EAGLE-VIRGELLE GAS WELL ANYWHERE WITHIN THE SPACING UNIT COMPRISED OF THE S ½ OF SECTION 21, T27N-R16E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF WITH A 100-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDER 26-74. [BULLWACKER FIELD]

Docket No. 176-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Ocean Energy, Inc. is granted as applied for.

BOARD ORDER NO. 139-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Cerri H. Perrigo, Executive Secretary	
erri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL TWO ADDITIONAL EAGLE-VIRGELLE FORMATION GAS WELLS ANYWHERE WITHIN THE SPACING UNIT COMPRISED OF THE N½ OF SECTION 21, T27N-R16E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF WITH A 100-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDER 26-74. [BULLWACKER FIELD]

Docket No. 177-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Ocean Energy, Inc. is granted as applied for.

ORDER NO. 140-2003

BOARD ORDER NO. 140-2003

ATTEST:

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

David Ballard, Chairman Denzil Young, Vice-Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member

ORDER NO. 141-2003

IN THE MATTER OF THE APPLICATION OF CORTEZ OPERATING COMPANY TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE N½ OF SECTION 16 AND THE E½NE¼ OF SECTION 17, T14N-R55E, DAWSON COUNTY, MONTANA, TO DRILL A MULTILATERAL HORIZONTAL WELL IN THE RED RIVER FORMATION AND AUTHORIZING SAID WELL TO BE LOCATED ANYWHERE WITHIN SUCH TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 330 FEET TO THE BOUNDARIES THEREOF.

Docket No. 178-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Cortez Operating Company is granted as applied for.

BOARD ORDER NO. 141-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 142-2003

IN THE MATTER OF THE APPLICATION OF CORTEZ OPERATING COMPANY TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE NE¼NE¼ OF SECTION 2, T13N-R55E AND THE SE¼ AND THE SW¼NE¼ OF SECTION 35, T14N-R55E, DAWSON COUNTY, MONTANA, TO DRILL A MULTILATERAL HORIZONTAL WELL IN THE RED RIVER FORMATION AND AUTHORIZING APPLICANT TO LOCATE SAID WELL ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 330 FEET TO THE BOUNDARIES THEREOF.

Docket No. 179-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Cortez Operating Company is granted as applied for.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 142-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
TTEST:	

ORDER NO. 143-2003

IN THE MATTER OF THE APPLICATION OF CORTEZ OPERATING COMPANY TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE NW¼NE¼ OF SECTION 22, AND THE W½SE¼, NE¼SW¼ AND SE¼NW¼ OF SECTION 15, T14N-R55E, DAWSON COUNTY, MONTANA, AND TO DRILL A MULTILATERAL HORIZONTAL WELL IN THE RED RIVER FORMATION, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 330 FEET TO THE BOUNDARIES THEREOF.

Docket No. 180-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Cortez Operating Company is granted as applied for.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

BOARD ORDER NO. 143-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

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 Kolstad, Board Member Elaine Mitchell, Board Member ATTEST:

IN THE MATTER OF THE APPLICATION OF CORTEZ OPERATING COMPANY TO CREATE AN ENHANCED RECOVERY UNIT FOR OIL AND GAS WITHIN THE RED RIVER FORMATION UNDERLYING A PORTION OF THE GLENDIVE FIELD TO BE KNOWN AS THE GLENDIVE NORTH (RED RIVER) UNIT AREA AND DESCRIBED AS FOLLOWS: ALL OF SECTION 25, 26, AND 36, AND THE NE¼ OF SECTION 35, T15N-R54E, DAWSON COUNTY, MONTANA.

ORDER NO. 144-2003

Docket No. 181-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The proposed unit area is composed of the Red River Formation underlying the following described lands in Dawson County, Montana:

Township 15N-R54E

Section 25: All Section 26: All Section 35: NE¹/₄ Section 36: All

- 3. The waterflood project proposed is that of injecting water into the Red River Formation underlying said unit area.
- 4. The primary energy of the reservoir has been substantially depleted and secondary recovery by water injection is feasible and reasonable necessary to increase the ultimate recovery of oil and gas. The inauguration and conduct of the waterflood injection program proposed by applicant will result in the recovery of a substantial amount of additional oil which would otherwise remain in place.
- 5. There is a need for the operation as a unit of the pool underlying the above described lands and it is necessary that the interests of all owners of the oil and gas therein be unitized.

BOARD ORDER NO. 144-2003

- 6. The evidence presented by applicant indicates that it was not possible to effectuate a wholly voluntary unitization of interests in said reservoir and that the issuance of an order for the unit operation of that part of the pool within the delineated area is necessary under the provisions of Section 82-11-204, M.C.A., et. seq.
- 7. The value of the estimated additional recovery of oil less royalties exceeds the estimated additional cost incident to conducting such operations; the full areal extent of such pool has been reasonable defined by drilling operations; its plan allocates to each tract in the unit area its fair share of oil and gas produced from the unit area not required or consumed in the conduct of the operation of the unit area of unavoidably lost. The Board has considered the relative value each share of production bears to the relative value of all the separately owned tracts in the unit area exclusive of physical equipment utilized in unit operations.
- 8. The unit agreement has not yet been approved by the requisite number of working interest owners specified by Section 82-11-207, M.C.A., nor has it been approved by the requisite number of owners and persons whose interests are free of costs.
- 9. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the requested Unit Area is adopted.

IT IS FURTHER ORDERED that the Board adopts and approves the Unit Agreement and the Unit Operating Agreement as constituting a plan for Unit operations that is just and reasonable. The Board further vacates all existing spacing unit orders as to the Unit Area and unitized formations.

IT IS FURTHER ORDERED that this order will become effective within the terms of M.C.A. 82-11-207 upon applicant presenting proof of the requisite approval by the cost-bearing and cost-free owners of interests therein within the time limit specified by the statute.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

Dave Ballard, Chairman	Denzil Young, Vice Chairman
Jerry Kennedy, Board Member	Jack King, Board Member
Allen Kolstad, Board Member	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 145-2003

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 26 AND 35, T25N-R53E, RICHLAND COUNTY, MONTANA, FOR THE DRILING OF UP TO TWO DUAL-LATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING APPLICANT TO LOCATE IT'S PROPOSED HORIZONTAL WELLS ANYWHERE WITHIN SUCH TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 53-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 145-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
TEST:	

ORDER NO. 146-2003

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 2 AND 11, T25N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL UP TO TWO DUAL-LATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING APPLICANT TO LOCATE ITS PROPOSED HORIZONTAL WELLS ANYWHERE WITHIN SAID TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

Docket No. 59-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 146-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
TEST:	

ORDER NO. 147-2003

IN THE MATTER OF THE APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY, LP TO DISPOSE OF PRODUCED WATER IN THE MISSION CANYON FORMATION THROUGH THE ELOB UNIT #14-18H WELL LOCATED IN SECTION 18, T6N-R61E, FALLON COUNTY, MONTANA. APPLICANT PROPOSES TO DISPOSE OF ALL ELOB UNIT PRODUCED WATER INTO DISPOSAL WELLS SUCH AS THE ELOB UNIT #14-18H WELL.

Docket No. 61-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Burlington Resources Oil & Gas Company, LP is granted as applied for.

BOARD ORDER NO. 147-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY, LP FOR AN UNDERGROUND INJECTION CONTROL PERMIT FOR ITS ELOB UNIT #42-25H WELL LOCATED IN THE SE¼NE¼ OF SECTION 25, T7N-R60E, FALLON COUNTY, MONTANA. THE PROPOSED INJECTION WOULD PERMIT WATER DISPOSAL IN THE DAKOTA AND /SWIFT FORMATIONS OF THE ELOB UNIT #42-25H WELL. APPLICANT PROPOSES TO DISPOSE OF ALL ELOB UNIT PRODUCED WATER INTO DISPOSAL WELLS SUCH AS THIS ONE.

ORDER NO. 148-2003

Docket No. 62-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Burlington Resources Oil & Gas Company, LP is granted as applied for.

BOARD ORDER NO. 148-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
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ORDER NO. 149-2003

IN THE MATTER OF THE APPLICATION OF ATHENA ENERGY L.L.C. FOR AN ORDER DELINEATING THE SW¼ OF SECTION 1, THE SE¼ OF SECTION 2, THE NE¼ OF SECTION 11 AND THE NW¼ OF SECTION 12, ALL IN T32N-R6E, LIBERTY COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF NATURAL GAS.

Docket No. 219-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of May, 2003, in the conference room of the Billings Professional Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Gary Willis 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 Athena Energy L.L.C. is granted as applied for.

BOARD ORDER NO. 149-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of May, 2003

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	