

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

CONSERVATION AND PREVENTION)
OF WASTE OF OIL AND GAS)

NOTICE OF PUBLIC HEARING

The Board of Oil and Gas Conservation will hold a business meeting at 2:00 p.m., Wednesday, December 3, 2003 in the conference room at the Board's office at 2535 St. Johns Avenue in Billings, Montana. The agenda for that meeting is:

1. Call to order
2. Approval of minutes of October 1, 2003 business meeting
3. Opportunity for public comment
4. Bond Report
5. Financial Report
6. Black Hawk Resources, LLC – Bonding another company's well
7. Fidelity Exploration & Production Company – Conventional gas operations In Montana
8. Update on coal bed methane lawsuit
9. Default docket
10. Staff reports

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below beginning at 8:00 a.m. Thursday, December 4, 2003 in the conference room of the Billings Petroleum Club on the 22nd floor of the Sheraton Hotel in Billings, Montana. For more information or to request accommodation for a disability, please contact Terri Perrigo at (406) 444-6675 or Tom Richmond at (406) 656-0040 as soon as possible before the scheduled hearing.

Docket No. 387-2003

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY – RICHLAND COUNTY, MONTANA

Upon the protest of **CONTINENTAL RESOURCES, INC.** to the application of Burlington Resources Oil & Gas Company for a permit to drill an oil and gas well in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 17, T23N-R56E, Richland County, Montana.

Docket No. 388-2003

APPLICANT: YATES PETROLEUM CORPORATION – BIG HORN COUNTY, MONTANA

Upon the application of **YATES PETROLEUM CORPORATION** for permission to drill a well to the Fort Union coal formation at a location 1027' FNL and 801' FEL of Section 14, T7S-R40E, Big Horn County, Montana.

Docket No. 389-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to delineate Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (all) of Section 30, 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 designating applicant's Roberts #21X-30 well as the only authorized well for said spacing unit.

Docket No. 390-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to delineate all of Section 21, T24N-R56E, Richland County, Montana, as a field and permanent spacing unit for the production of oil and associated natural gas from the Bakken formation and designating applicant's Hill #34X-21 well as the only authorized well for said spacing unit.

Docket No. 391-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to delineate Lots 1, 2, 3, 4, S½S½ (all) of Section 1, T24N-R54E and all of Section 34, 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 designating applicant's BR #44X-1 well as the only authorized well for said spacing unit.

Docket No. 392-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to delineate all of Sections 20 and 29, T24N-R56E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation, and authorizing up to two horizontal wells to be located anywhere within said spacing unit but not closer than 660 feet from the spacing unit boundaries.

Docket No. 393-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to delineate all of Sections 14 and 23, T24N-R54E, 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. 394-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to pool all interests in the spacing unit comprised of all of Sections 14 and 23, T24N-R54E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation.

Docket No. 395-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to delineate all of Sections 11 and 14, T23N-R56E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and authorizing up to two horizontal wells to be located anywhere within said spacing unit but not closer than 660 feet from the spacing unit boundaries.

Docket No. 396-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to delineate all of Sections 17 and 20, 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. 397-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to delineate all of Sections 15 and 22, T24N-R56E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and authorizing up to two horizontal wells to be located anywhere within said spacing unit but not closer than 660 feet from the spacing unit boundaries.

Docket No. 398-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to delineate all of Sections 18 and 19, T24N-R57E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and authorizing up to two horizontal wells to be located anywhere within said spacing unit but not closer than 660 feet from the spacing unit boundaries.

Docket No. 399-2003

APPLICANT: HEADINGTOIN OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to create a temporary spacing unit comprised of all of Sections 14 and 23, T22N-R59E, 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 the boundaries thereof.

Docket No. 400-2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to designate all of Sections 17 and 18, T23N-R57E, Richland County, Montana, as a temporary spacing unit 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. 401-2003

APPLICANT: TRUE OIL, LLC – RICHLAND COUNTY, MONTANA

Upon the application of **TRUE OIL, LLC** to establish a temporary spacing unit comprised of the E½W½ and W½E½ of Section 14, T26N-R58E, Richland County, Montana, for drilling a Red River Formation test well to be located anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof.

Docket No. 402-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to inject water into the Red River “B” Formation in the currently shut-in WCHU #11-10SH well located in Section 10, T6N-R61E, Fallon County, Montana, and operated by Continental Resources, Inc. in the West Cedar Hills Unit.

Docket No. 403-2003

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY – FALLON COUNTY, MONTANA

Upon the application of **BURLINGTON RESOURCES OIL & GAS COMPANY** to permit water disposal in the Minnelusa Formation of the ELOB Unit #43-35 well located in Section 35, T7N-R60E, Fallon County, Montana.

Docket No 404-2003

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY – FALLON COUNTY, MONTANA

Upon the application of **BURLINGTON RESOURCES OIL & GAS COMPANY** to permit water disposal in the Minnelusa Formation of the ELOB Unit #14-36 well located in Section 36, T7N-R60E, Fallon County, Montana.

Docket No. 405-2003

APPLICANT: LYCO ENERGY CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to establish a temporary spacing unit comprised of all of Sections 23 and 26, T24N-R57E, Richland County, Montana, to drill up to two horizontal wells in the Bakken Formation and authorizing said wells to be located anywhere within said spacing unit but not closer than 660 feet from the boundaries thereof.

Docket No. 406-2003

APPLICANT: LYCO ENERGY CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to establish a temporary spacing unit comprised of all of Sections 24 and 25, T24N-R57E, Richland County, Montana, to drill up to two horizontal wells in the Bakken Formation and authorizing said wells to be located anywhere within said spacing unit but not closer than 660 feet from the boundaries thereof.

Docket No. 407-2003

APPLICANT: LYCO ENERGY CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to delineate all of Section 21, 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 boundaries thereof.

Docket No. 408-2003

APPLICANT: LYCO ENERGY CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to delineate Lots 1, 2, 3, 4, S $\frac{1}{2}$ S $\frac{1}{2}$ (all) of Section 3 and all of Section 10, 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 boundaries thereof.

Docket No. 409-2003

APPLICANT: LYCO ENERGY CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to delineate all of Sections 19 and 30, 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 authorizing up to two horizontal wells to be located anywhere within said spacing unit but not closer than 660 feet from the boundaries thereof.

Docket No. 410-2003

APPLICANT: LYCO ENERGY CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to delineate all of Sections 19 and 30, T24N-R56E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and authorizing up to two horizontal wells to be located anywhere within said spacing unit but not closer than 660 feet from the boundaries thereof.

Docket No. 411-2003

APPLICANT: CAMWEST II, L.P. – SHERIDAN COUNTY, MONTANA

Upon the application of **CAMWEST II, L.P.** to create a permanent spacing unit for the Flat Lake Field consisting of the NE $\frac{1}{4}$ and the S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 19, T37N-R58E, Sheridan County, Montana and to drill a horizontal well to the Ratcliffe Formation anywhere within said spacing unit but not closer than 660 feet to the spacing unit boundary. Applicant also requests that any otherwise applicable spacing orders be amended to allow for the requested spacing unit.

Docket No. 412-2003

APPLICANT: PETRO-HUNT, L.L.C – RICHLAND COUNTY, MONTANA

Upon the application of **PETRO-HUNT, L.L.C.** to delineate all of Section 27, T24N-R54E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and to designate applicant's BR #27A-2-1H well as the only authorized well for said spacing unit.

Docket No. 413-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill an additional Eagle Sand Formation gas well (the Morse #10-29-33-15 well) at a location 2158' FSL and 1381' FEL of Section 29, T33N-R15E, Hill County, Montana, with a 25-foot tolerance for topographic reasons as an exception to Board Order 22-78. (Badlands Field)

Docket No. 414-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill an additional Eagle Sand Formation gas well (the Morse #8-30-33-15 well) at a location 2610' FNL and 975' FEL of Section 30, T33N-R15E, Hill County, Montana, with a 25-foot tolerance for topographic reasons as an exception to Board Order 22-78. (Badlands Field)

Docket No. 415-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill an additional Eagle Sand Formation gas well (the Morse #4-30-33-15 well) at a location 794' FNL and 1077' FWL of Section 30, T33N-R15E, Hill County, Montana, with a 25-foot tolerance for topographic reasons as an exception to Board Order 22-78. (Badlands Field)

Docket No. 416-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill an additional Eagle Sand Formation gas well (the See-State #12-31-33-15 well) at a location 1600' FSL and 825' FWL of Section 31, T33N-R15E, Hill County, Montana, with a 200-foot tolerance for topographic reasons as an exception to Board Order 22-78. (Badlands Field)

Docket No. 417-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the SW¼ of Section 20, T37N-R15E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation through the Federal-Signal Butte #20-37-15 wellbore.

Docket No. 418-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the S½ of Section 14, T34N-R15E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand Formation through the Verploegen #14-34-15 wellbore.

Docket No. 419-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the E½ of Section 19 and the W½ of Section 20, T37N-R15E, Hill County, Montana, as a permanent spacing unit for production of gas from the Niobrara Formation through the Federal-Signal Butte #19-37-15 wellbore.

Docket No. 420-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the NW¼ of Section 13, T25N-R18E, Blaine County, Montana, as a temporary spacing unit to drill and produce applicant's proposed Gasvoda-Federal #13-25-18 Eagle Sand Formation gas well at a location 2045' FNL and 1399' FWL of said Section 13, with a 25-foot tolerance in any direction for topographic reasons as an exception to A.R.M. 36.22.702.

Docket No. 421-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate all of Section 27, T36N-R15E, Hill County, Montana, as a temporary spacing unit for the drilling and production of applicant's proposed Willow Creek-Federal #16-27-36-15 gas well at a location 587' FSL and 1217' FEL of said Section 27, with a 25-foot tolerance in any direction for topographic reasons as an exception to A.R.M. 36.22.702, and authorizing the downhole commingling of gas producible from the Eagle Sand and Niobrara Formations in the Willow-Creek-Federal #16-27-36-15 wellbore.

Docket No. 422-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the E½NE¼ of Section 33 and the W½NW¼ of Section 34, T33N-R15E, Hill County, Montana, as a temporary spacing unit for Eagle Sand Formation production and authorizing the drilling of an Eagle Sand Formation gas well 862' FNL and 296' FEL of said Section 33, with a 25-foot tolerance in any direction for topographic reasons as an exception to Board Order 22-78. (Badlands Field)

Docket No. 423-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the N½ of Section 19, T36N-R16E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand and Niobrara Formations through the Dusek Ranch #19-36-16 wellbore and authorizing the downhole commingling of gas produced from said formations.

Docket No. 424-2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the S½ of Section 18 and the N½ of Section 19, T36N-R16E, Hill County, Montana, as a permanent spacing unit for production of gas from the Eagle Sand, Judith River and Niobrara Formations through the State #18-36-16B wellbore and authorizing the downhole commingling of gas produced from said formations.

Docket No. 425-2003

APPLICANT: MONTANA LAND & EXPLORATION, INC. – BLAINE COUNTY, MONTANA

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to drill an Eagle Formation natural gas test well in Section 3, T32N-R21E, Blaine County, Montana, at a location approximately 458' FNL and 163' FWL as an exception to the statewide rule

Docket No. 426-2003 and 1-2004 FED

APPLICANT: BALLARD PETROLEUM HOLDINGS, LLC – ROOSEVELT COUNTY, MONTANA

Upon the application of **BALLARD PETROLEUM HOLDINGS, LLC** to create a 160-acre temporary spacing unit comprised of the W $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 11, T29N-R50E, Roosevelt County, Montana, to drill a horizontal well in the Charles Formation and to authorize said horizontal well be drilled by re-entering the Zimmerman #1 well in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 11, and drilling a horizontal lateral approximately 1250 feet in a southwesterly direction but not closer than 330 feet to the boundaries of the temporary spacing unit.

Docket No. 427-2003

APPLICANT: DEVON LOUISIANA CORPORATION – BLAINE COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill an additional Eagle Sand Formation gas well approximately 1765' FNL and 990' FWL of Section 11, T25N-R18E, Blaine County, Montana, with a 200-foot topographic tolerance as an exception to A.R.M. 36.22.702.

Docket No. 428-2003

APPLICANT: DEVON LOUISIANA CORPORATION – BLAINE COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill an additional Eagle Sand Formation gas well 914' FSL and 2294' FWL of Section 11, T27N-R18E, Blaine County, Montana, with a 200-foot topographic tolerance as an exception to Board Orders 45-76 and 68-98. (Sawtooth Mountain Field)

Docket No. 429-2003

APPLICANT: DEVON LOUISIANA CORPORATION – BLAINE COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill an additional Eagle Sand Formation gas well 290' FSL and 720' FEL of Section 14, T27N-R18E, Blaine County, Montana, with a 200-foot topographic tolerance as an exception to Board Orders 45-76 and 22-99. (Sawtooth Mountain Field)

Docket No. 430-2003

APPLICANT: DEVON LOUISIANA CORPORATION – BLAINE COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill an additional Eagle Sand Formation gas well anywhere within Section 12, T27N-R18E, Blaine County, Montana, but not closer than 990 feet to the spacing unit boundaries thereof as an exception to Board Order 45-76. (Sawtooth Mountain Field)

Docket No. 431-2003

APPLICANT: DEVON LOUISIANA CORPORATION – BLAINE COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill an additional Eagle Sand Formation gas well 2743' FNL and 759' FWL of Section 4, T27N-R19E, Blaine County, Montana, with a 200-foot topographic tolerance as an exception to Board Orders 45-76 and 65-85. (Sawtooth Mountain Field)

Docket No. 432-2003

APPLICANT: DEVON LOUISIANA CORPORATION – BLAINE COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill an additional Eagle Sand Formation gas well 2492' FSL and 2153' FWL of Section 7, T27N-R19E, Blaine County, Montana, with a 200-foot topographic tolerance as an exception to Board Orders 45-76 and 65-85. (Sawtooth Mountain Field)

Docket No. 433-2003

APPLICANT: DEVON LOUISIANA CORPORATION – BLAINE COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill up to four Eagle Sand Formation gas wells in addition to those authorized under Board Orders 45-76, 62-89, 241-2001, 71-2002 and 198-2003 at locations anywhere in Section 33, T28N-R19E, Blaine County, Montana, but not closer than 990 feet from the spacing unit boundaries thereof as an exception to the noted Orders. (Sawtooth Mountain Field)

Docket No. 434-2003

APPLICANT: DEVON LOUISIANA CORPORATION – BLAINE COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill two additional Eagle Sand Formation gas wells at locations anywhere in Section 6, T27N-R19E, Blaine County, Montana, but not closer than 990 feet to the spacing unit boundaries thereof, and a third additional Eagle Sand Formation gas well anywhere within the SW¼ of said Section 6, but not closer than 600 feet to the spacing unit boundaries as an exception to Board Orders 45-76 and 65-85. (Sawtooth Mountain Field)

Docket No. 435-2003

APPLICANT: DEVON LOUISIANA CORPORATION – BLAINE COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill up to a total of ten (10) additional Eagle Sand Formation gas wells in Section 1, T27N-R18E, Blaine County, Montana, as an exception to Board Orders 45-76, 25-99 and 53-2000 as follows: a) three additional wells anywhere within said Section 1 but not closer than 990 feet to the spacing unit boundaries thereof; b) two additional wells anywhere in the NE¼ of said Section 1 but not closer than 500 feet to the spacing unit boundaries thereof; c) two additional wells anywhere within the SE¼ of said Section 1 but not closer than 670 feet to the spacing unit boundaries thereof; d) two additional wells anywhere within the SW¼ of said Section 1 but not closer than 560 feet to the spacing unit boundaries thereof; and e) one additional well at a location anywhere within the SE¼ of said Section 1 but not closer than 200 feet to the spacing unit boundaries thereof. (Sawtooth Mountain Field)

Docket No. 436-2003

APPLICANT: DEVON LOUISIANA CORPORATION – CHOUTEAU COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill an Eagle-Virgelle Formation gas well anywhere within the N½ of Section 30, T27N-R16E, Chouteau County, Montana, but not closer than 100 feet to the spacing unit boundaries as an exception to Board Order 26-74. (Bullwacker Field)

Docket No. 437-2003 and 2-2004 FED

APPLICANT: DEVON LOUISIANA CORPORATION – HILL COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill an additional Eagle Sand Formation gas well 2320' FSL and 1017' FWL of Section 17, T29N-R15E, Hill County, Montana, with a 100-foot tolerance for topographic and/or archaeological reasons as an exception to A.R.M. 36.22.702.

Docket No. 438-2003 and 3-2004 FED

APPLICANT: DEVON LOUISIANA CORPORATION – HILL COUNTY, MONTANA

Upon the application of **DEVON LOUISIANA CORPORATION** to drill an additional Eagle Sand Formation gas well 1028' FNL and 968' FWL of Section 17, T29N-R15E, Hill County, Montana, with a 100-foot tolerance for topographic and/or archaeological reasons as an exception to A.R.M. 36.22.702.

Docket No. 439-2003

APPLICANT: ALTAMONT OIL & GAS, INC. – PONDERA COUNTY, MONTANA

Upon the application of **ALTAMONT OIL & GAS, INC.** to establish field spacing rules for the production of natural gas from the surface of the earth to the top of the Kootenai Formation with each spacing unit to be comprised, at the option of the operator, of two adjacent quarter sections with up to two permitted wells per producing zone in each spacing unit located not closer than 660 feet to the spacing unit boundaries for the following lands in Pondera County, Montana: Sections 20 through 29 and Sections 32 through 36, T29N-R5W and Sections 3 through 5, T28N-R5W; and to create three 320-acre permanent spacing units within said field for production of gas from the following lands in Pondera County, Montana: a) SE $\frac{1}{4}$ of Section 20 and SW $\frac{1}{4}$ of Section 21, T29N-R5W; b) N $\frac{1}{2}$ of Section 36, T29N-R5W; and c) N $\frac{1}{2}$ of Section 4, T28N-R5W; and to designate the field spacing under this application as the Lake Frances Field.

Docket No. 440-2003

APPLICANT: FIDELITY EXPLORATION & PRODUCTION COMPANY – BIG HORN COUNTY, MONTANA

Upon the application of **FIDELITY EXPLORATION & PRODUCTION COMPANY** to approve its Dry Creek Project Plan of Development for coal bed natural gas exploration and development in the CX Field in Big Horn County, Montana. Applicant is the owner of oil and gas leasehold interests in the following described lands in Big Horn County, Montana, and has submitted its proposed Plan of Development outlining the proposed environmentally responsible development of this area.

T9S-R39E

Section 13: Lots 1, 2, 3, 4, W $\frac{1}{2}$ E $\frac{1}{2}$, W $\frac{1}{2}$ (All)

Section 14: All

Section 23: All

Section 24: Lots 1, 2, 3, 4, W $\frac{1}{2}$ E $\frac{1}{2}$, W $\frac{1}{2}$ (All)

Section 25: Lots 1, 2, 3, 4, W $\frac{1}{2}$ E $\frac{1}{2}$, W $\frac{1}{2}$ (All)

Section 26: All

Section 35: Lots 1, 2, 3, 4, N $\frac{1}{2}$ S $\frac{1}{2}$, N $\frac{1}{2}$ (All)

Section 36: Lots 1, 2, 4, 5, W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ (N $\frac{1}{2}$, SW $\frac{1}{4}$)

T9S-R40E

Section 18: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$ (NW $\frac{1}{4}$, S $\frac{1}{2}$)

Section 19: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All)

Section 30: Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{4}$ (NW $\frac{1}{4}$)

Applicant proposes to drill the above lands with coal bed natural gas well densities greater than one well per 640 acres, all in accordance with the CX Field drilling production rules previously established in accordance with and pursuant to Board Orders 108-97, 174-200 and 100-2003.

Docket No. 441-2003

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an Eagle Formation gas well in a 640-acre temporary spacing unit consisting of the E½ of Section 32, T34N-R14E and the W½ of Section 33, T34N-R14E, Hill County, Montana, at a location 2300' FSL and 100' FWL of said Section 33, with a 100-foot tolerance for topographic reasons; and to designate the W½ of said Section 32 and the E½ of said Section 33 as 320-acre temporary spacing units for the Eagle Formation with 660-foot set back requirements for any well drilled in such units.

Docket No. 442-2003

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an additional Eagle gas well in the SW¼ of Section 35, T34N-R14E, Hill County, Montana, at a location 2310' FSL and 800' FWL of said Section 35, with a 75-foot tolerance in any direction except north for topographic reasons. (Brown's Coulee Field)

Docket No. 443-2003

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill two additional gas test wells in Section 24, T35N-R14E, Hill County, Montana, to test the Eagle and/or Niobrara Formations at locations 1250' FSL and 1000' FEL for the first well and 800' FSL and 1000' FEL for the second well, with a 75-foot tolerance in any direction except east for topographic reasons.

Docket No. 444-2003

APPLICANT: CAMWEST II L.P. – SHERIDAN COUNTY, MONTANA

Upon the application of **CAMWEST II L.P.** to permit the commingling of oil production from the Ratcliffe and Nisku Formations in the Mayhew No. 1H well located in the NE¼SE¼ of Section 23, T37N-R57E, Sheridan County, Montana, as an exception to A.R.M. 36.22.1208, and to authorize applicant to allocate the commingled Ratcliffe and Nisku production to the respective owners of such production on the basis of fingerprint analysis of the oil, with such analysis to be completed by applicant once every six (6) months during any period when Ratcliffe and Nisku oil production are commingled. (Flat Lake Field)

Docket No. 445-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to create a temporary spacing unit comprised of all of Section 5, T23N-R54E and all of Section 32, T24N-R54E, Richland County, Montana, to drill up to two multilateral horizontal wells in the Bakken Formation, said wells to be located anywhere within said spacing unit but not less than 660 feet to the proposed spacing unit boundary.

Docket No. 446-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to create a temporary spacing unit comprised of all of Sections 17 and 20, T25N-R55E, Richland County, Montana, to drill up to two multilateral horizontal wells in the Bakken Formation, said wells to be located anywhere within said spacing unit but not less than 660 feet to the proposed spacing unit boundary.

Docket No. 447-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to amend any previous orders of the Board and to create a temporary spacing unit comprised of all of Sections 4 and 9, T23N-R54E, Richland County, Montana, to drill up to two multilateral horizontal wells in the Bakken Formation, said wells to be located anywhere within said spacing unit but not less than 660 feet to the proposed spacing unit boundary.

Docket No. 448-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to create a temporary spacing unit comprised of all of Sections 23 and 26, T23N-R56E, Richland County, Montana, for drilling up to two multilateral horizontal wells in the Bakken Formation, said wells to be located anywhere within said spacing unit but not less than 660 feet to the proposed spacing unit boundary.

Docket No. 449-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to create a temporary spacing unit comprised of all of Section 1, T23N-R55E and all of Section 36, T24N-R55E, Richland County, Montana, for drilling up to two multilateral horizontal wells in the Bakken Formation, said wells to be located anywhere within said spacing unit but not less than 660 feet to the proposed spacing unit boundary.

Docket No. 450-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to create a temporary spacing unit comprised of all of Sections 12 and 13, T23N-R55E, 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 spacing unit boundary.

Docket No. 451-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to create a temporary spacing unit comprised of all of Sections 27 and 34, T25N-R55E, Richland County, Montana, to drill up to two multilateral horizontal wells in the Bakken Formation, said wells to be located anywhere within said spacing unit but not less than 660 feet to the proposed spacing unit boundary.

Docket No. 452-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to create a temporary spacing unit comprised of all of Sections 15 and 22, T25N-R55E, Richland County, Montana, for drilling up to two multilateral horizontal wells in the Bakken Formation, said wells to be located anywhere within said spacing unit but not less than 660 feet to the proposed spacing unit boundary.

Docket No. 453-2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to create a temporary spacing unit comprised of all of Sections 26 and 35, T25N-R55E, Richland County, Montana, to drill up to two multilateral horizontal wells in the Bakken Formation, said wells to be located anywhere within said spacing unit but not less than 660 feet to the proposed spacing unit boundary.

Docket No. 454-2003

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

Upon the application of **ENCORE OPERATING, L.P.** for appropriate severance tax reductions for the following horizontal re-entry wells in Fallon and Wibaux Counties, Montana:

API Number	Well Name	Completion Date
25-025-05375-00-00	PNL 42-11H	02/05/03
25-025-21544-00-00	LBE 43X-33RH	08/31/03
25-109-21060-00-00	SP 33-11AH	09/17/03

Docket No. 231-2003
Continued from June 2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to designate all of Section 36, T26N-R52E and all of Section 1, T25N-R52E, Richland County, Montana, as a temporary spacing unit for drilling up to two dual-lateral horizontal wells in the Bakken Formation and authorizing said wells to be located anywhere within such temporary spacing unit but not closer than 660 feet to the boundaries thereof.

Docket No. 232-2003
Continued from June 2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to designate all of Section 24, T26N-R52E and all of Section 25, T26N-R52E, Richland County, Montana, as a temporary spacing unit for drilling up to two dual-lateral horizontal wells in the Bakken Formation and authorizing said wells to be located anywhere within such temporary spacing unit but not closer than 660 feet to the boundaries thereof.

Docket No. 238-2003
Continued from June 2003

APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP – RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to designate all of Section 9, T25N-R52E and all of Section 16, T25N-R52E, Richland County, Montana, as a temporary spacing unit for drilling up to two dual-lateral horizontal wells in the Bakken Formation and authorizing said wells to be located anywhere within such temporary spacing unit but not closer than 660 feet to the boundaries thereof.

Docket No. 284-2003

Continued from August 2003

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

Upon the application of **KLABZUBA OIL & GAS, INC.** to designate the E½NE¼ of Section 33 and the W½NW¼ of Section 34, T33N-R15E, Hill County, Montana as a temporary spacing unit for Eagle Sand Formation production and to drill an Eagle Sand Formation gas well 800' FNL and 50' FEL of said Section 33 with a 300-foot tolerance for topographic reasons as an exception to Board Order 22-78. (Badlands Field)

Docket No. 328-2003
Continued from October 2003

APPLICANT: EOG RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **EOG RESOURCES, INC.** to create a temporary spacing unit comprised of all of Section 35, T26N-R52E, and Lots 1, 2, 3, 4, S ½ N ½, S ½ (All) of Section 2, T25N-R52E, Richland County, Montana, for drilling up to two dual-lateral horizontal wells in the Bakken Formation and authorizing said wells to be located anywhere within such temporary spacing unit but not closer than 660 feet to the boundaries thereof.

Docket No. 375-2003
Continued from October 2003

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to create a temporary spacing unit comprised of all of Sections 17 and 20, T24N-R54E, Richland County, Montana, or in the alternative a temporary spacing unit comprised of all of the above-described lands except the SE¼ of said Section 20, for drilling up to two multi-lateral 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 boundaries thereof.

Docket No. 386-2003
ORDER TO SHOW CAUSE
Continued from October 2003

RESPONDENT: TITAN OIL COMPANY – FALLON, RICHLAND AND WIBAUX COUNTIES, MONTANA

Upon the Board's own motion requiring **TITAN OIL COMPANY** to appear and show cause, if any it has, why its bond should not be forfeited and why it should not be penalized for failure to plug and restore wells.

Docket No. 455-2003
ORDER TO SHOW CAUSE

RESPONDENT: NRC DEVELOPMENT, LLC – DAWSON, PONDERA AND TOOLE COUNTIES, MONTANA

Upon the Board's own motion requiring **NRC DEVELOPMENT, LLC** to appear and show cause, if any it has, why its bond should not be forfeited for failure to plug and properly abandon the State 80-2A and 3-36 wells located in Section 36, T28N-R1W, Pondera County, Montana and for failure to report to the Board its plan for disposition of the remaining two wells on its bond (the Smith 43-10 in Dawson County and the Atkins 19-1B in Toole County).

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Terri Perrigo, Executive Secretary

