

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

IN THE MATTER OF 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.

ORDER NO. 303-2003

Docket No. 388-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Yates Petroleum Corporation is granted as applied for.

BOARD ORDER NO. 303-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
HEADINGTON OIL, LIMITED PARTNERSHIP  
TO DELINEATE LOTS 1, 2, 3, 4, E½W½, E½ (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.

ORDER NO. 304-2003

Docket No. 389-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 304-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
HEADINGTON OIL, LIMITED PARTNERSHIP  
TO 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.

ORDER NO. 305-2003

Docket No. 390-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.

2. 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. 305-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
HEADINGTON OIL, LIMITED PARTNERSHIP  
TO 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.

ORDER NO. 306-2003

Docket No. 391-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 306-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
HEADINGTON OIL, LIMITED PARTNERSHIP  
TO 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.

ORDER NO. 307-2003

Docket No. 395-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 307-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
HEADINGTON OIL, LIMITED PARTNERSHIP  
TO 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.

ORDER NO. 308-2003

Docket No. 396-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Headington Oil, Limited Partnership is granted as applied for.

BOARD ORDER NO. 308-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
HEADINGTON OIL, LIMITED PARTNERSHIP  
TO 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.

ORDER NO. 309-2003

Docket No. 397-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 309-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
HEADINGTON OIL, LIMITED PARTNERSHIP  
TO 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.

ORDER NO. 310-2003

Docket No. 398-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 310-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
HEADINGTON OIL, LIMITED PARTNERSHIP  
TO 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.

ORDER NO. 311-2003

Docket No. 399-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the Conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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.

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. 311-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION OF  
THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
HEADINGTON OIL, LIMITED PARTNERSHIP  
TO DESIGNATE 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.

ORDER NO. 312-2003

Docket No. 400-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 312-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 313-2003

Docket No. 401-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the Conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 True Oil, LLC is granted as applied for.

BOARD ORDER NO. 313-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 314-2003

Docket No. 402-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.

2. 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.

BOARD ORDER NO. 314-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
BURLINGTON RESOURCES OIL & GAS  
COMPANY TO PERMIT WATER DISPOSAL  
IN THE MINNELUSA FORMATION OF THE  
ELOB UNIT #43-35 WELL LOCATED IN  
SECTION 35, T7N-R60E, FALLON COUNTY,  
MONTANA.

ORDER NO. 315-2003

Docket No. 403-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Burlington Resources Oil & Gas Company is granted as applied for.

BOARD ORDER NO. 315-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
BURLINGTON RESOURCES OIL & GAS  
COMPANY TO PERMIT WATER DISPOSAL  
IN THE MINNELUSA FORMATION OF THE  
ELOB UNIT #14-36 WELL LOCATED IN  
SECTION 36, T7N-R60E, FALLON COUNTY, MONTANA.

ORDER NO. 316-2003

Docket No. 404-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Burlington Resources Oil & Gas Company is granted as applied for.

BOARD ORDER NO. 316-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
CAMWEST II, L.P. TO CREATE A PERMANENT  
SPACING UNIT FOR THE FLAT LAKE FIELD  
CONSISTING OF THE NE¼ AND THE S½NW¼  
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.

ORDER NO. 317-2003

Docket No. 411-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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.

IT IS FURTHER ORDERED that any otherwise applicable spacing orders are amended to allow for the requested spacing unit.

BOARD ORDER NO. 317-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 318-2003

Docket No. 412-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.

2. 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 Petro-Hunt, L.L.C. is granted as applied for.

BOARD ORDER NO. 318-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO DRILL AN  
ADDITIONAL EAGLE SAND FORMATION  
GAS WELL (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)

ORDER NO. 319-2003

Docket No. 413-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 319-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO DRILL AN  
ADDITIONAL EAGLE SAND FORMATION  
GAS WELL (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)

ORDER NO. 320-2003

Docket No. 414-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity 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 the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

BOARD ORDER NO. 320-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO DRILL AN  
ADDITIONAL EAGLE SAND FORMATION  
GAS WELL (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)

ORDER NO. 321-2003

Docket No. 415-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 321-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO DRILL AN  
ADDITIONAL EAGLE SAND FORMATION  
GAS WELL (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)

ORDER NO. 322-2003

Docket No. 416-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 322-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO 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.

ORDER NO. 323-2003

Docket No. 417-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the Conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 323-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO 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.

ORDER NO. 324-2003

Docket No. 419-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Klabzuba Oil & Gas, Inc. is granted as applied for.

BOARD ORDER NO. 324-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO 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.

ORDER NO. 325-2003

Docket No. 420-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 325-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO 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.

ORDER NO. 326-2003

Docket No. 421-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 326-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO DESIGNATE  
THE E $\frac{1}{2}$ NE $\frac{1}{4}$  OF SECTION 33 AND THE W $\frac{1}{2}$ NW $\frac{1}{4}$   
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)

ORDER NO. 327-2003

Docket No. 422-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 proceeds from the well not be disbursed until a permanent spacing unit is established.

BOARD ORDER NO. 327-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO 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.

ORDER NO. 328-2003

Docket No. 423-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. At the hearing, applicant modified its application to designate the Dusek Ranch #19-36-16 well as an additional well in the existing permanent spacing unit established by Board Order 9-2003.
3. 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 Klabzuba Oil & Gas, Inc. is granted as modified.

BOARD ORDER NO. 328-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO 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.

ORDER NO. 329-2003

Docket No. 424-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. At the time of hearing the applicant modified the application to request that Board Order 9-2003 be amended to include gas production from the Judith River Formation in the established spacing unit and that the State 18-36-16B well be authorized as an additional well in said spacing unit.
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 application of Klabzuba Oil & Gas, Inc. is granted as modified.

BOARD ORDER NO. 329-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 330-2003

Docket No. 425-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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.

BOARD ORDER NO. 330-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION  
OF 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.

ORDER NO. 331-2003

Docket No. 426-2003 and 1-2004 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. Chairman David Ballard 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 Ballard Petroleum Holdings, LLC 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. 331-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 332-2003

Docket No. 427-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 332-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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)

ORDER NO. 333-2003

Docket No. 428-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 333-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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)

ORDER NO. 334-2003

Docket No. 429-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 334-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

---

Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION  
OF 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)

ORDER NO. 335-2003

Docket No. 430-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 335-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

---

Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION  
OF 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)

ORDER NO. 336-2003

Docket No. 431-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 336-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION  
OF 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)

ORDER NO. 337-2003

Docket No. 432-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.

2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 337-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

---

Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION  
OF 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)

ORDER NO. 338-2003

Docket No. 433-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 338-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
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)

ORDER NO. 339-2003

Docket No. 434-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 339-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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)

ORDER NO. 340-2003

Docket No. 435-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 340-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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)

ORDER NO. 341-2003

Docket No. 436-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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 Devon Louisiana Corporation is granted as applied for.

BOARD ORDER NO. 341-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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) SE¼ OF SECTION 20  
AND SW¼ OF SECTION 21, T29N-R5W; B) N½ OF SECTION 36,  
T29N-R5W; AND C) N½ OF SECTION 4, T28N-R5W; AND TO  
DESIGNATE THE FIELD SPACING UNDER THIS APPLICATION  
AS THE LAKE FRANCES FIELD.

ORDER NO. 342-2003

Docket No. 439-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Milan R. Ayers of Compass Energy, Inc. and George Galuska of Great Northern Drilling Company appeared in protest of the application. Two letters protesting the application, from R.J. Woldtveldt and Quentin and Caryl Goehring, were read into the record by Chairman Ballard.
3. Based upon evidence presented at the hearing it was determined that 160-acre spacing units for the area would be more appropriate.
4. 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.

BOARD ORDER NO. 342-2003

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Sections 20 through 29 and Sections 32 through 36 of T29N-R5W, and Sections 3 through 5 of T28N-R5W, all in Pondera County, Montana, are delineated as a field for the production of gas from all zones from the surface of the earth to the top of the Kootenai Formation with 160-acre spacing units with wells to be located no closer than 660 feet to the spacing unit boundaries.

IT IS FURTHER ORDERED that the field be called the Lake Francis Field.

IT IS FURTHERED ORDERED that the Toren 4-1 well located 3390' FNL and 990' FWL of irregular Section 4, T28N-R5W, Pondera County, Montana, is authorized as an exception to the field rules.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
FIDELITY EXPLORATION & 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.

ORDER NO. 343-2003

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, 174-2000 AND 100-2003.

Docket No. 440-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

BOARD ORDER NO. 343-2003

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 Fidelity Exploration & Production Company is granted as applied for.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 344-2003

Docket No. 441-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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.

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. 344-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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)

ORDER NO. 345-2003

Docket No. 442-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 345-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 346-2003

Docket No. 443-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 346-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
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 NE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> 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)

ORDER NO. 347-2003

Docket No. 444-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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. 347-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 348-2003

Docket No. 445-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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.

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 348-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 349-2003

Docket No. 448-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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.

BOARD ORDER NO. 349-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 350-2003

Docket No. 450-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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.

BOARD ORDER NO. 350-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary



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

IN THE MATTER OF THE APPLICATION OF  
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.

ORDER NO. 351-2003

Docket No. 453-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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.

BOARD ORDER NO. 351-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF  
ENCORE OPERATING, L.P. FOR APPROPRIATE  
SEVERANCE TAX REDUCTIONS FOR THE  
FOLLOWING HORIZONTAL RE-ENTRY WELLS  
IN FALLON AND WIBAUX COUNTIES, MONTANA:

ORDER NO. 352-2003

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. 454-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Prior to the hearing it was determined that LBE 43X-33RH was initially drilled as a horizontal well and is not eligible for the relief sought in this application.
3. The evidence indicates that the applicant's other two wells identified in the caption are entitled to appropriate severance tax reductions.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the PNL 42-11H and the SP 33-11AH are certified as horizontally recompleted wells.

IT IS FURTHER ORDERED that staff is directed to certify to the Montana Department of Revenue the severance tax reductions to which applicant is entitled for the named wells.

BOARD ORDER NO. 352-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE BOARD'S OWN MOTION REQUIRING  
TOI OPERATING 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.

ORDER NO. 353-2003

Docket No. 386-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.

2. Respondent Keith Carver, CEO of TOI Operating, appeared stating a \$500 cashiers check for the fine levied at the October 2, 2003 hearing is in the mail and should arrive at the Billings office by Monday, December 8. He said his company will have all clean-up work done by the February 12, 2004 hearing. He requested the Board not order forfeiture of TOI Operating's bond, but give him until the February hearing to get the work and the sale to Enlight Energy Corp completed.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Show-Cause hearing of TOI Operating is continued to February 12, 2004.

IT IS FURTHER ORDERED that none of TOI Operating's wells shall be transferred to Enlight Energy Corp. until all surface clean up on TOI Operating's producing wells is complete.

BOARD ORDER NO. 353-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF 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).

ORDER NO. 354-2003

Docket No. 455-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 4th day of December 2003, in the conference room of the Billings Petroleum 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. Members Jerry Kennedy and Jack King were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Respondent in this matter did not appear at the time set for hearing.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that NRC Development LLC's bond be forfeited and staff is directed to take appropriate action to arrange for the plugging and abandonment of those well sites.

BOARD ORDER NO. 354-2003

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December 2003.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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David Ballard, Chairman

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Denzil Young, Vice-Chairman

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Allen Kolstad, Board Member

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Elaine Mitchell, Board Member

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Gary Willis, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary