IN THE MATTER OF THE APPLICATION OF BALLARD PETROLEUM HOLDINGS, LLC TO CREATE A TEMPORARY SPACING UNIT FOR THE CHARLES FORMATION COMPRISED OF THE W½SW¼ OF SECTION 2, T29N-R50E AND THE E½SE¼ OF SECTION 3, T29N-R50E, ROOSEVELT COUNTY, MONTANA, AND TO DRILL A HORIZONTAL WELL THEREIN BY RE-ENTRY OF THE RICHARDS # 3-1 WELL IN THE SE¼SE¼ OF SECTION 3 AND DRILLING THE HORIZONTAL LATERAL IN A NORTHEASTERLY DIRECTION BUT NO CLOSER THAN 330 FEET TO THE BOUNDARIES OF THE TEMPORARY SPACING UNIT AS AN EXCEPTION TO BOARD ORDERS 18-55 AND 26-76 (NORTHWEST POPLAR FIELD)

ORDER NO. 1-2004

Docket No. 4-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner here and after 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 a temporary spacing unit for the Charles Formation comprised of the W½SW¼ of Section 2, T29N-R50E and the E½SE¼ of Section 3, T29N-R50E, Roosevelt County, Montana, is hereby created.

IT IS FURTHUR ORDERED that applicant is authorized to drill a horizontal well therein by re-entry of the Richards # 3-1 well in the SE½SE½ of Section 3 and drilling the horizontal lateral in a northeasterly direction but not closer than 330 feet to the boundaries of the temporary spacing unit as an exception to the Northwest Poplar Field rules established by Board Orders 18-55 and 26-76.

BOARD ORDER NO. 1-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF ORDER NO. 2-2004 ENCORE OPERATING, L.P. TO CONVERT THE

PENNEL 42-17B WELL IN SECTION 17, T7N-R60E, IN PENNEL FIELD IN FALLON COUNTY, MONTANA,

TO A MISSION CANYON DISPOSAL WELL.

Docket No. 5-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

BOARD ORDER NO. 2-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	_

IN THE MATTER OF THE APPLICATION OF ENCORE OPERATING, L.P. TO CONVERT ITS PENNEL 31-17B WELL IN SECTION 17, T7N-R60E, IN PENNEL FIELD IN FALLON COUNTY, MONTANA, TO A MISSION CANYON DISPOSAL WELL. ORDER NO. 3-2004

Docket No. 6-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application that certain correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Encore Operating, L.P. is authorized to convert its Pennel 31-17B well in Section 17, T7N-R60E, Fallon County, Montana, to a Mission Canyon disposal well.

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
A TOTAL CITY	
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF ENCORE OPERATING, L.P. FOR PERMISSION TO CONVERT ITS PENNEL 22-16B WELL IN SECTION 16, T7N-R60E, IN PENNEL FIELD IN FALLON COUNTY, MONTANA, TO A MISSION CANYON DISPOSAL WELL.

ORDER NO. 4-2004

Docket No. 7-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

BOARD ORDER NO. 4-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

	OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Γerri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF ENCORE OPERATING, L.P. TO DESIGNATE FOUR WELLS IN FALLON AND WIBAUX COUNTIES ELIGIBLE FOR SEVERANCE TAX REDUCTIONS FOR HORIZONTAL RE-ENTRY WELLS.

ORDER NO. 5-2004

Docket No. 8-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the following wells are designated eligible for severance tax reductions for horizontal re-entry wells:

API NUMBER	WELL NAME	COMPLETION DATE
25-109-05122-00-00	SP 23-32H	11/25/2003
25-109-21147-00-00	SP 11X-04AH	11/27/2003
25-025-21907-00-00	PNL 21-31CH	11/12/2003
25-109-05141-00-00	SP 43X-19H	11/17/2003

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF FIDELITY EXPLORATION & PRODUCTION COMPANY TO ENLARGE AND RE-DELINEATE THE CX FIELD IN BIG HORN COUNTY, MONTANA. APPLICANT REQUESTS THE LANDS LISTED BELOW BE ADDED TO THE CX FIELD AND DESIGNATED AS PERMANENT SPACING UNITS ON THE BASIS OF REGULAR QUARTER SECTION SPACING UNITS WITH THE OPERATOR PERMITTED TO DRILL UP TO FOUR (4) WELLS PER COAL BED OR HORIZON IN EACH QUARTER SECTION WITH NO WELL LOCATED CLOSER THAN 220 FEET TO THE BOUNDARY OF EACH QUARTER SECTION.

ORDER NO. 6-2004

Docket No. 10-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the CX Field in Big Horn County, Montana is re-delineated by adding the following described lands and designating as permanent spacing units regular quarter section spacing units with the operator permitted to drill up to four (4) wells per coal bed or horizon in each quarter section with no well located closer then 220 feet of the boundaries of each quarter section:

Township 8S-Range 41E

Section 35: S½

Township 9S-R41E

Section 1: Lots 5, 6, 7, 8, 9, 10, SW¹/₄, W¹/₂SE¹/₄ (All)

Section 2: Lots 5, 6, 7, 8, S½N½, S ½ (All)

Section 3: Lots 5, 6, 7, 8, S½N½, S½ (All)

Section 4: Lots 5, 6, 7, 8, S¹/₂N¹/₂, S¹/₂ (All)

Section 5: Lots 5, 6, 7, 8, S½N½, S½ (All)

Section 6: Lots 6, 7, 8, 9, 10, 11, 12, S½NE¼, SE¼NW¼, E½SW¼, SE¼ (All)

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

Section 8: All

Section 11: All

Section 12: Lots 1, 2, 3, 4, W½E½, W½ (All)

Section 13: Lots 1, 2, 3, 4, W½E½, W½ (All)

Section 14: All

Section 15: All

Section 16: All

Section 17: All

Section 18: Lots 5, 6, 7, 8, E¹/₂W¹/₂, E¹/₂ (All)

Section 21: All

Section 22: All

Section 23: Lots 1, 2, 3, 4, 5, 6, N½NE¼, W½, Part of Resurvey Tract 37 (All)

Section 24: Lots 1, 2, 3, 4, W½E½, W½ (All)

Section 25: Lots 1, 2, 3, 4, 5, NW¹/₄NE¹/₄, SW¹/₄, W¹/₂SE¹/₄, part of Resurvey Tract 38 (All)

Section 26: Lots 1, 2, SW¹/₄NE¹/₄, W¹/₂, SE¹/₄, part of Resurvey Tracts 37 and 38 (All)

Section 27: All

Section 28: All

Section 29: All

Section 32: Lots 5, 6, 7, 8, N¹/₂S¹/₂, N¹/₂ (All)

Section 33: Lots 5, 6, 7, 8, N¹/₂S¹/₂, N¹/₂ (All)

Section 34: Lots 5, 6, 7, 8, N¹/₂S¹/₂, N¹/₂ (All)

Section 35: Lots 5, 6, 7, 8, N¹/₂S¹/₂, N¹/₂ (All)

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

IT IS FURTHER ORDERED that the following described lands are added to the CX Field and designated as permanent spacing units on the basis of regular governmental spacing units with applicant permitted to drill up to sixteen (16) wells per coal bed or horizon in each such permanent spacing unit with no well located closer than 220 feet to the exterior boundary of each such 640 acre spacing unit:

Township 9S-Range 41E

Section 9: All

Section 10: All

Section 20: All

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. 6-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Tomi II Domino Evacutiva Sacusta	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF FIDELITY EXPLORATION & PRODUCTION COMPANY FOR APPROVAL OF ITS COAL CREEK PROJECT PLAN OF DEVELOPMENT FOR COAL BED METHANE EXPLORATION AND DEVELOPMENT UPON LANDS LISTED BELOW IN BIG HORN COUNTY, MONTANA:

ORDER NO. 7-2004

Docket No. 11-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicants Coal Creek Project Plan of Development for coal bed methane exploration and development upon the following described lands in Big Horn County, Montana, which is to drill and develop said lands with coal bed methane well densities greater one well per 640 acres, is granted as applied for.

Township 9S-Range 40E

Section 23: All Section 24: All Section 25: N½ Section 26: N½

Township 9S-Range 41E

Section 9: S½ Section 16: All Section 17: All

Section 18: Lots 7, 8, E½SW¼, SE¼ (S½) Section 19: Lots 5, 6, 7, 8, E½W½, E½ (All)

Section 20: All Section 21: All

BOARD ORDER NO. 7-2004

Section 22: SW¹/₄
Section 27: W¹/₂
Section 28: All
Section 29: All

Section 30: Lots 5, 6, 7, 8, E½W½, E½, (All) Section 31: Lots 8, 9, 10, 11, 12, 13, 14 E½NW¼,NE¼SW¼,NE¼, N ½ SE¼ (All)

Section 32: N½
Section 33: N½
Section 34: NW¼

IT IS FURTHUR ORDERED that approval of the Coal Creek Project Plan of Development is contingent upon completion of an environmental assessment.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO AMEND THE BULLWACKER FIELD RULES TO PERMIT AN ADDITIONAL EAGLE-VIRGELLE FORMATION GAS WELL ANYWHERE WITHIN THE N½ OF SECTION 35, T27N-R16E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES THEREOF AS AN EXCEPTION TO BOARD ORDER 26-74.

ORDER NO. 8-2004

Docket No. 12-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

BOARD ORDER NO. 8-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION OF

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

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO AMEND THE BULLWACKER FIELD RULES TO PERMIT THE DRILLING OF AN ADDITIONAL EAGLE-VIRGELLE FORMATION GAS WELL ANYWHERE WITHIN THE E½ OF SECTION 24, T27N-R16E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES THEREOF AS AN EXCEPTION TO BOARD ORDER 26-74.

ORDER NO. 9-2004

Docket No. 13-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Bullwacker Field rules are amended to permit the drilling an additional Eagle-Virgelle Formation gas well anywhere within the E½ of Section 24, T27N-R16E, Chouteau County, Montana, but not closer than 660 feet to the spacing unit boundaries thereof as an exception to Board Order 26-74.

BOARD ORDER NO. 9-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

	OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Геггі Н. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO AMEND THE BULLWACKER FIELD RULES TO DRILL AN ADDITIONAL EAGLE-VIRGELLE FORMATION GAS WELL ANYWHERE WITHIN THE E½ OF SECTION 19, T27N-R17E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES AS AN EXCEPTION TO BOARD ORDER 26-74.

ORDER NO. 10-2004

Docket No. 14-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

BOARD ORDER NO. 10-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 11-2004

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION FOR AN AMENDMENT TO THE BULLWACKER FIELD RULES TO PERMIT THE DRILLING OF AN ADDITIONAL EAGLE-VIRGELLE GAS WELL ANYWHERE WITHIN THE W½ OF SECTION 19, T27N-R17E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES AS AN EXCEPTION TO BOARD ORDER 26-74.

Docket No. 15-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

BOARD ORDER NO. 11-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

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

ORDER NO. 12-2004

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO AMEND THE BULLWACKER FIELD RULES TO PERMIT THE DRILLING OF AN ADDITIONAL EAGLE-VIRGELLE FORMATION GAS WELL ANYWHERE WITHIN THE W½ OF SECTION 21, T27N-R17E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES AS AN EXCEPTION TO BOARD ORDER 26-74.

Docket No. 16-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

BOARD ORDER NO. 12-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
ATTEST.	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 13-2004

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL ANYWHERE WITHIN SECTION 15, T25N-R18E, BLAINE COUNTY, MONTANA, BUT NOT CLOSER THAN 990 FEET TO THE SPACING UNIT BOUNDARIES AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 20-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

BOARD ORDER NO. 13-2004

avid Ballard, Chairman
erry Kennedy, Board Member
ack King, Board Member
llen Kolstad, Board Member
laine Mitchell, Board Member
ary Willis, Board Member
1

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL ANYWHERE IN SECTION 16, T27N-R17E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES, WITH A 100-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO A.R.M. 36.22,702.

Docket No. 21-2004

ORDER NO. 14-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

BOARD ORDER NO. 14-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Tomi II Domina Enganting Country	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL ANYWHERE WITHIN THE NW¼ OF SECTION 26, T30N-R15E, HILL COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES, WITH A 150-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDERS 10-70 AND 53-91. (TIGER RIDGE FIELD)

Docket No. 22-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

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

ORDER NO. 15-2004

BOARD ORDER NO. 15-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL ANYWHERE WITHIN THE SW¼ OF SECTION 26, T30N-R15E, HILL COUNTY, MONTANA, BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES, WITH A 150-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDERS 10-70 AND 53-91. (TIGER RIDGE FIELD)

Docket No. 23-2004

ORDER NO. 16-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

BOARD ORDER NO. 16-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

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

ORDER NO. 17-2004

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL IN THE NW¼ OF SECTION 19, T30N-R16E, HILL COUNTY, MONTANA, AT A LOCATION 2247' FNL AND 1761' FWLOF SAID SECTION 19 WITH A 100-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDERS 10-70 AND 66-91. (TIGER RIDGE FIELD)

Docket No. 25-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

BOARD ORDER NO. 17-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	
<i>5</i> /	

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION FOR AN ORDER CREATING TEMPORARY SPACING UNITS COMPRISED OF REGULAR GOVERNMENTAL QUARTER SECTIONS IN SECTION 17, T30N-R16E, HILL COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF AN EAGLE SAND FORMATION GAS WELL IN EACH SUCH TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF, WITH A 150-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS.

ORDER NO. 18-2004

Docket No. 26-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Louisiana Corporation 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. 18-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Tami II Danias Essenting County	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION FOR AN ORDER CREATING TEMPORARY SPACING UNITS COMPRISED OF REGULAR GOVERNMENTAL QUARTER SECTIONS IN SECTION 18, T30N-R16E, HILL COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF AN EAGLE SAND FORMATION GAS WELL IN EACH SUCH TEMPORARY SPACING UNIT AT ANY LOCATION NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF, WITH A 150-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS

ORDER NO. 19-2004

Docket No. 27-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Louisiana Corporation 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. 19-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

	OF THE STATE OF MONTANA
	David Ballard, Chairman
	David Banaid, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION FOR AN ORDER CREATING TEMPORARY SPACING UNITS COMPRISED OF REGULAR GOVERNMENTAL QUARTER SECTIONS IN SECTION 20, T30N-R16E, HILL COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF AN EAGLE SAND FORMATION GAS WELL IN EACH SUCH TEMPORARY SPACING UNIT AT ANY LOCATION NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF, WITH A 150-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS.

ORDER NO. 20-2004

Docket No. 28-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Louisiana Corporation 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. 20-2004

	Done and	performed b	y the Board	of Oil and	Gas C	Conservation	of the Sta	te of	Montana	ı at
Billings,	Montana,	this 12th day	of Februar	y 2004.						

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 21-2004

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO CREATE TEMPORARY SPACING UNITS COMPRISED OF REGULAR GOVERNMENTAL QUARTER SECTIONS IN SECTION 29, T30N-R16E, HILL COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF AN EAGLE SAND FORMATION GAS WELL IN EACH SUCH TEMPORARY SPACING UNIT AT A LOCATION NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF, WITH A 150-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS

Docket No. 29-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 21-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF DEVON LOUISIANA CORPORATION TO CREATE TEMPORARY SPACING UNITS OMPRISED OF REGULAR GOVERNMENTAL QUARTER SECTIONS IN SECTION 30, T30N-R16E, HILL COUNTY, MONTANA, AND AUTHORIZING THE DRILLING OF AN EAGLE SAND FORMATION GAS WELL IN EACH SUCH TEMPORARY SPACING UNIT AT A LOCATION NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF, WITH A 150-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS.

ORDER NO. 22-2004

Docket No. 30-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Louisiana Corporation 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. 22-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

David Ballard, Chairman
Jerry Kennedy, Board Member
Jack King, Board Member
Allen Kolstad, Board Member
Elaine Mitchell, Board Member
Gary Willis, Board Member

ORDER NO. 23-2004

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO DRILL AN ADDITIONAL EAGLE GAS WELL IN THE W½ OF SECTION 32, T34N-R14E, HILL COUNTY, MONTANA, AT A LOCATION 500' FNL AND 1980' FWL OF SAID SECTION 32, WITH A 100-FOOT TOLERANCE IN ANY DIRECTION EXCEPT NORTH OR EAST FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDER 344-2003.

Docket No. 37-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

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. 23-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	_

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 S½ OF SECTION 10 AND THE N½ OF SECTION 15, T35N-R18E, BLAINE COUNTY, MONTANA, AT A LOCATION 50' FNL AND 1700' FEL OF SAID SECTION 15, WITH A 100-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO A.R.M. 36.22.702

Docket No. 39-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of 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.

ORDER NO. 24-2004

BOARD ORDER NO. 24-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	
<i>5</i> ,	

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO DRILL THREE EAGLE FORMATION GAS TEST WELLS IN SECTION 13, T34N-R14E, HILL COUNTY, MONTANA, AT LOCATIONS NOT LESS THAN 990 FEET FROM THE EXTERIOR BOUNDARIES OF SAID SECTION 13, AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 25-2004

Docket No. 40-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

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

ORDER NO. 26-2004

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO DRILL AN ADDITIONAL EAGLE FORMATION GAS TEST WELL IN SECTION 19, T35N-R18E, BLAINE COUNTY, MONTANA, AT A LOCATION NOT LESS THAN 990 FEET FROM THE EXTERIOR BOUNDARIES OF SAID SECTION 19, AS AN EXCEPTION TO A.R.M. 36.22.702

Docket No. 41-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

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

BOARD ORDER NO. 26-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO VACATE BOARD ORDER 166-2003 AND TO DESIGNATE THE SW'4 OF SECTION 19, T33N-R17E, HILL COUNTY, MONTANA, AS A TEMPORARY SPACING UNIT AND AUTHORIZING THE DRILLING OF AN EAGLE FORMATION GAS TEST WELL NOT LESS THAN 990 FEET FROM THE EXTERIOR BOUNDARIES OF SAID TEMPORARY SPACING UNIT AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 27-2004

Docket No. 42-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 27-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

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

ORDER NO. 28-2004

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 W½ OF SECTION 16 AND THE E½ OF SECTION 17, T34N-R17E, HILL COUNTY, MONTANA, AT A LOCATION 1200' FSL AND 300' FEL OF SAID SECTION 17, WITH A 100-FOOT TOLERANCE FOR TOPOGRAPHIC REASONS, AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 44-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 28-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

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

ORDER NO. 29-2004

IN THE MATTER OF THE APPLICATION
OF CORTEZ OPERATING COMPANY
TO CREATE A PERMANENT SPACING
UNIT COMPRISED OF THE NW¼NE¼
OF SECTION 22 AND THE W½SE¼,
NE¼SW¼ AND SE¼NW¼ OF SECTION 15,
T14N-R55E, DAWSON COUNTY, MONTANA,
FOR THE PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM
THE RED RIVER FORMATION AND
DESIGNATING APPLICANT'S CORTEZ # 31X-22
WELL AS THE ONLY AUTHORIZED
WELL FOR SAID SPACING UNIT.

Docket No. 45-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 29-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF CORTEZ OPERATING COMPANY TO AMEND THE GLENDIVE FIELD RULES BY DESIGNATING THE SE¼ OF SECTION 26, T15N-R54E, DAWSON COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE RED RIVER FORMATION.

ORDER NO. 30-2004

Docket No. 46-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 30-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	
Tom In Tomgo, Dacount o Socious y	

CORTEZ OPERATING COMPANY TO
AUTHORIZE THE NPG/NCT #9-3 WELL
TO PRODUCE OIL AND GAS FROM THE
RED RIVER FORMATION UNDERLYING
THE PERMANENT SPACING UNIT COMPRISED
OF THE E½NE¼ OF SECTION 17, T14N-R55E,
DAWSON COUNTY, MONTANA, AS AN
EXCEPTION TO BOARD ORDER 27-55 AND

VACATING THE TEMPORARY SPACING UNIT ESTABLISHED BY THE BOARD PURSUANT TO BOARD ORDER 141-2003. (GLENDIVE FIELD)

IN THE MATTER OF THE APPLICATION OF

ORDER NO. 31-2004

Docket No. 47-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 31-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF CORTEZ OPERATING COMPANY TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE E½ OF SECTION 8, T14N-R55E, DAWSON COUNTY, MONTANA, FOR THE DRILLING OF A HORIZONTAL WELL IN THE RED RIVER FORMATION AND AUTHORIZING SAID PROPOSED HORIZONTAL WELL TO BE LOCATED ANYWHERE WITHIN SUCH TEMPORARY SPACING UNIT BUT NOT

CLOSER THAN 330 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 32-2004

Docket No. 48-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

IT IS FUTHER ORDERED that an application for permanent spacing be made within ninety (90) days of successful completion of the proposed well.

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. 32-2004

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 33-2004

IN THE MATTER OF THE APPLICATION OF CORTEZ OPERATING COMPANY TO RE-ENTER ITS STATE D2 WELL IN SECTION 36, T15N-R54E, DAWSON COUNTY, MONTANA, AND DRILL HORIZONTALLY IN THE RED RIVER FORMATION AT ANY LOCATION NOT CLOSER THAN 330 FEET TO THE GOVERNMENTAL BOUNDARIES OF SAID SECTION 36, AS AN EXCEPTION TO BOARD ORDER 27-55. (GLENDIVE FIELD)

Docket No. 49-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. Member Elaine Mitchell recused herself. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the applicant may re-enter its State D2 well in Section 36, T15N-R54E, Dawson County, Montana, and drill horizontally into the Red River Formation at any location not closer than 660 feet to the governmental boundaries of said Section 36.

BOARD ORDER NO. 33-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

	OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 34-2004

IN THE MATTER OF THE APPLICATION OF CORTEZ OPERATING COMPANY TO DESIGNATE A TEMPORARY SPACING UNIT COMPRISED OF THE SW¼ OF SECTION 26, T15N-R54E, DAWSON COUNTY, MONTANA, TO DRILL AND PRODUCE APPLICANT'S PROPOSED HORIZONTAL WELL, AND AUTHORIZING APPLICANT TO RE-ENTER ITS J.W. REYNOLDS WELL FOR PURPOSES OF DRILLING A HORIZONTAL RED RIVER FORMATION LATERAL TO BE LOCATED NOT CLOSER THAN 330 FEET TO THE BOUNDARIES OF SAID TEMPORARY SPACING UNIT, AS AN EXCEPTION TO BOARD ORDER 27-55. (GLENDIVE FIELD)

Docket No. 50-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. Member Elaine Mitchell recused herself. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that 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 Cortez Operating Company is granted as applied for.

IT IS FURTHER ORDED that an application for permanent spacing be made within ninety (90) days of successful completion of the proposed well.

IT IS FURTHER NOTED that applicant agrees not to protest the drilling of an offset well at a mirror location in Section 35.

BOARD ORDER NO. 34-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Gary Willis, Board Member
ATTEST:	
Γerri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF CORTEZ OPERATING COMPANY TO RE-ENTER ITS LLOYD #34-26 WELL FOR PURPOSES OF DRILLING A HORIZONTAL RED RIVER FORMATION LATERAL TO BE LOCATED NOT CLOSER THAN 330 FEET TO THE BOUNDARIES OF THE SE¼ OF SECTION 26, T15N-R54E, DAWSON COUNTY, MONTANA, AS AN EXCEPTION TO ANY APPLICABLE PREVIOUS ORDERS OF THIS BOARD.

ORDER NO. 35-2004

Docket No. 51-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. Member Elaine Mitchell recused herself. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that 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 Cortez Operating Company is authorized to re-enter its Lloyd #34-26 well for purposes of drilling a horizontal Red River Formation lateral to be located not closer than 660 feet to the southern and eastern boundaries of the Section 26, T15N-R54E, Dawson County, Montana, as an exception to any applicable previous orders of this Board.

BOARD ORDER NO. 35-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	C. Will D. IM. I
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. FOR AN ORDER TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 8 AND 17, T23N-R56E, RICHLAND COUNTY, MONTANA, FOR THE DRILLING OF 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 TEMPORARY SPACING UNIT BOUNDARY.

ORDER NO. 36-2004

Docket No. 52-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. At the hearing, applicant modified its application to drill only one dual-lateral horizontal well instead of two multilateral horizontal wells.
- 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 a temporary spacing unit comprised of all of Sections 8 and 17, T23N-R56E, Richland County, Montana, is created for the drilling of one dual-lateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the proposed spacing unit boundaries.

BOARD ORDER NO. 36-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 37-2004

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL (THE WARBURTON #34-7-33-20B WELL) AT A LOCATION 1740' FNL AND 1765' FEL OF SECTION 34, T33N-R20E, BLAINE COUNTY, MONTANA, WITH A 300-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS, AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 56-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 37-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

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

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL AN EAGLE SAND FORMATION GAS WELL 1650' FSL AND 2610' FWL OF SECTION 7, T25N-R19E, BLAINE COUNTY, MONTANA, WITH A 300-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDER 229-2003.

Docket No. 57-2004

ORDER NO. 38-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 38-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
A TUTNINGTO	
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 39-2004

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL A NIOBRARA FORMATION GAS WELL (THE SIGNAL BUTTE-FEDERAL #20-10-37-15B WELL) AT A PROPOSED LOCATION 1335' FSL AND 2160' FEL OF SECTION 20, T37N-R15E, HILL COUNTY, MONTANA, WITH A 300-FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO ANY APPLICABLE BOARD ORDERS AND A.R.M. 36.22.702.

Docket No. 58-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of. 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 39-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo. Executive Secretary	

ORDER NO. 40-2004

IN THE MATTER OF THE APPLICATION OF NANCE PETROLEUM CORPORATION TO DELINEATE THE W½ OF SECTION 13 AND THE E½ OF SECTION 14, T33N-R58E, SHERIDAN COUNTY, MONTANA, AS A 640-ACRE PERMANENT SPACING UNIT FOR THE GUNTON FORMATION AND DESIGNATING APPLICANT'S DAHL 1-14H WELL AS THE ONLY AUTHORIZED WELL FOR SAID SPACING UNIT. (BRUSH LAKE FIELD)

Docket No. 59-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 40-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	
Terri II. I errigo, Executive Secretary	

ORDER NO. 41-2004

IN THE MATTER OF THE APPLICATION OF NANCE PETROLEUM CORPORATION TO DELINEATE ALL OF SECTION 6, T24N-R55E AND ALL OF SECTION 35, T25N-R54E, RICHLAND COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR THE BAKKEN FORMATION AND DESIGNATING THE APPLICANT'S VAIRA 2-35H WELL AS THE ONLY AUTHORIZED WELL FOR SAID SPACING UNIT.

Docket No. 60-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 41-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

	OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	_

IN THE MATTER OF THE APPLICATION OF NANCE PETROLEUM CORPORATION FOR AN ORDER POOLING ALL INTERESTS IN ALL OF SECTION 6, T24N-R55E AND ALL OF SECTION 35, T25N-R54E, RICHLAND COUNTY, MONTANA, ON THE BASIS OF SURFACE ACRES FOR PRODUCTION FROM THE BAKKEN FORMATION.

ORDER NO. 42-2004

Docket No. 61-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 42-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTECT.	
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 22 AND 27, T26N-R51E, RICHLAND COUNTY, MONTANA, TO DRILL AN EXTENDED-LATERAL HORIZONTAL WELL IN THE BAKKEN FORMATION, AND AUTHORIZING SAID WELL TO BE LOCATED ANYWHERE WITHIN SUCH TEMPORARY SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 43-2004

Docket No. 62-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Lyco Energy Corporation 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. 43-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

	OF THE STATE OF MONTANA
	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Геггі Н. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTION 16, T24N-R55E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION, AND DESIGNATING APPLICANT'S REDWATER STATE #24X-16 WELL AS THE ONLY AUTHORIZED WELL FOR SAID SPACING UNIT.

ORDER NO. 44-2004

Docket No. 63-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 44-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

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

ORDER NO. 45-2004

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE LOTS 1, 2, 3, 4, S½S½ (ALL) OF SECTION 5 AND ALL OF SECTION 8, 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 BR #33X-5 WELL AS THE ONLY AUTHORIZED WELL FOR SAID SPACING UNIT.

Docket No. 64-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

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

BOARD ORDER NO. 45-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE THE W½ OF SECTION 17 AND THE E½ OF SECTION 18, T23N-R58E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR THE PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION, TO DESIGNATE APPLICANT'S LARSON #44X-18 WELL AS THE ONLY AUTHORIZED WELL FOR SAID SPACING UNIT, AND TO POOL ALL INTERESTS IN SAID PERMANENT SPACING UNIT AUTHORIZING RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202(2), M.C.A.

ORDER NO. 46-2004

Docket No. 65-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

IT IS FURTHER ORDERED that all interests in said permanent spacing unit are pooled and recovery non-consent penalties is approved as authorized by Section 82-11-202(2) M.C.A.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

David Ballard, Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member Gary Willis, Board Member ATTEST:

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE THE W½ AND SE¼ OF SECTION 20, TOGETHER WITH ALL OF SECTION 29, T23N-R57E, 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 PUTNAM #24X-20 WELL AS THE ONLYAUTHORIZED WELL FOR SAID SPACING UNIT.

ORDER NO. 47-2004

Docket No. 66-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Headington Oil, Limited Partnership 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 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	_

IN THE MATTER OF THE APPLICATION OF SOMONT OIL CO., INC. FOR AN ORDER PLACING THE E½ OF SECTION 7, T36N-R4W, TOOLE COUNTY, MONTANA, INTO THE MODIFIED CUT BANK FIELD FOR THE PRODUCTION OF GAS FROM THE SURFACE OF THE EARTH TO AND THROUGH THE BASE OF THE MADISON LIMESTONE FORMATION.

ORDER NO. 48-2004

Docket No. 327-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. Member Jack King recused himself. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Somont Oil Co., 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.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 17 AND 20, T24N-R54E, RICHLAND COUNTY, MONTANA, OR IN THE ALTERNATIVE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF THE ABOVE-DESCRIBED LANDS EXCEPT THE SE¼ OF SAID SECTION 20, FOR DRILLING UP TO TWO MULTI-LATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 49-2004

Docket No. 375-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. At the hearing, applicant amended its application to drill multi-lateral horizontal well instead of two multi-lateral horizontal wells.
- 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 a temporary spacing unit comprised of all the Section 17 and 20, T24N-R54E, Richland

County, Montana is established for drilling one multi-lateral horizontal well in the Bakken Formation, said
well to be located anywhere within the said spacing unit but not less than 660 feet to the boundaries
thereof

BOARD ORDER NO. 49-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA	
	David Ballard, Chairman	
	Jerry Kennedy, Board Member	
	Jack King, Board Member	
	Allen Kolstad, Board Member	
	Elaine Mitchell, Board Member	
	Gary Willis, Board Member	
ATTEST:		
Terri H. Perrigo, Executive Secretary		

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTIONS 20 AND 29, T24N-R56E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION, AND AUTHORIZING UP TO TWO HORIZONTAL WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660 FEET FROM THE SPACING UNIT BOUNDARIES.

ORDER NO. 50-2004

Docket No. 392-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. Member Jack King recused himself. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application 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 all of Section 20 and 29, T24N-R56E, Richland County, Montana, are delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 50-2004

ATTEST:

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

David Ballard, Chairman Jerry Kennedy, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member Gary Willis, Board Member Terri H. Perrigo, Executive Secretary

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DELINEATE ALL OF SECTIONS 14 AND 23, T24N-R54E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND AUTHORIZING UP TO TWO HORIZONTAL WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660 FEET FROM THE SPACING UNIT BOUNDARIES.

ORDER NO. 51-2004

Docket No. 393-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 14 and 23, T24N-R54E, Richland County, Montana are delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO POOL ALL INTERESTS IN THE SPACING UNIT COMPRISED OF ALL OF SECTIONS 14 AND 23, T24N-R54E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 52-2004

Docket No. 394-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner here and after 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 all interests in the spacing unit comprised of Sections 14 and 23, T24N-R54E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation are pooled on the basis of surface acreage.

BOARD ORDER NO. 52-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO ESTABLISH A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 24 AND 25, T24N-R57E, RICHLAND COUNTY, MONTANA, TO DRILL UP TO TWO HORIZONTAL WELLS IN THE BAKKEN FORMATION AND AUTHORIZING SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660 FEET FROM THE BOUNDARIES THEREOF.

ORDER NO. 53-2004

Docket No. 406-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- At the hearing, applicant modified its application to drill only one horizontal well instead of two.
- 3. The evidence indicates that granting the application in the manner here and after set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Sections 24 and 25, T24N-R57E, Richland County, Montana, are established as a temporary spacing unit for production for the Bakken Formation.

IT IS FURTHER ORDERED that applicant may drill one horizontal well in the Bakken Formation, located anywhere within the spacing unit but not closer than 660 feet to the boundaries thereof.

BOARD ORDER NO. 53-2004

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

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member		
Jack King, Board Member		David Ballard, Chairman
		Jerry Kennedy, Board Member
Allen Kolstad, Board Member		Jack King, Board Member
		Allen Kolstad, Board Member
Elaine Mitchell, Board Member		Elaine Mitchell, Board Member
Gary Willis, Board Member		Gary Willis, Board Member
ATTEST:	ATTEST:	
Terri H. Perrigo, Executive Secretary	Tarri H. Parrigo, Evacutiva Sacratory	

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE LOTS 1, 2, 3, 4, 5½5½ (ALL) OF SECTION 3 AND ALL OF SECTION 10, T24N-R55E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND AUTHORIZING UP TO TWO HORIZONTAL WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660 FEET FROM THE BOUNDARIES THEREOF.

ORDER NO. 54-2004

Docket No. 408-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. At the hearing, applicant amended its application to drill only one horizontal well instead of two.
- 3. The evidence indicates that granting the application in the manner here and after 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 all of Section 3 and 10, T24N-R55E, Richland County, Montana, are delineated as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

IT IS FURTHER C	ORDERED that the appl	icant is authorized to dr	rill one horizontal v	well anywhere
within the spacing unit but i	not within 660 feet of the	e boundaries thereof.		

BOARD ORDER NO. 54-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

BOARD OF OIL AND GAS CONSERVATION

	OF THE STATE OF MONTANA	
	David Balland Chairman	
	David Ballard, Chairman	
	Jerry Kennedy, Board Member	
	Jack King, Board Member	
	Allen Kolstad, Board Member	
	Elaine Mitchell, Board Member	
	Gary Willis, Board Member	
ATTEST:		
Terri H. Perrigo, Executive Secretary		

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC.
TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 17 AND 20, T25N-R55E, RICHLAND COUNTY, MONTANA, TO DRILL UP TO TWO MULTILATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION, SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE PROPOSED SPACING UNIT BOUNDARY

ORDER NO. 55-2004

Docket No. 446-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. At the hearing, applicant modified its request to drill one multi-lateral horizontal well instead of two.
- 3. The evidence indicates that granting the application in the manner here and after set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Sections 17 and 20, T25N-R55E are designated as a temporary spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant is authorized to drill one multilateral horizontal well in the Bakken Formation anywhere within the spacing unit but not less than 660 feet to the spacing unit boundary.				
BOARD ORDER NO. 55-2004				
Done and performed by the Board of Oil an Billings, Montana, this 12th day of February 2004.	d Gas Conservation of the State of Montana at			
	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA			
	David Ballard, Chairman			
	Jerry Kennedy, Board Member			
	Jack King, Board Member			
	Allen Kolstad, Board Member			
	Elaine Mitchell, Board Member			
	Gary Willis, Board Member			
ATTEST:				
Terri H. Perrigo, Executive Secretary				

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO AMEND ANY PREVIOUS ORDERS OF THE BOARD AND TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4 AND 9, T23N-R54E, RICHLAND COUNTY, MONTANA, TO DRILL UP TO TWO MULTILATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION, SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE PROPOSED SPACING UNIT BOUNDARY.

ORDER NO. 56-2004

Docket No. 447-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. At the hearing, applicant modified its request to drill one multi-lateral horizontal well instead of two.
- 3. The evidence indicates that granting the application in the manner here and after set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Sections 4 and 9, T23N-R54E, Richland County, Montana are designated the temporary spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that Board Order 285-2003 is vacated and the permit for the Lazy 1-4H well authorized by that order is suspended.

BOARD ORDER NO. 56-2004

IT IS FURTHER ORDERED that applicant is authorized to drill one multilateral horizontal well in the Bakken Formation anywhere within said temporary spacing unit but not closer than 660 feet to the temporary spacing unit boundary.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTION 1, T23N-R55E AND ALL OF SECTION 36, T24N-R55E, RICHLAND COUNTY, MONTANA, FOR DRILLING UP TO TWO MULTILATERAL HORIZONTAL WELLS IN THE BAKKEN FORMATION, SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT LESS THAN 660 FEET TO THE PROPOSED SPACING UNIT BOUNDARY.

ORDER NO. 57-2004

Docket No. 449-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. At the hearing, applicant modified its request to drill one horizontal multi-lateral well instead of two.
- 3. The evidence indicates that granting the application in the manner here and after 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 all of Section 1, T23N-R55E and all of Section 36, T24N-R55E, Richland County, Montana, are designated a temporary spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant is authorized to drill one multilateral horizontal well in said temporary spacing unit, not less than 660 feet to the spacing unit boundary.

BOARD ORDER NO. 57-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of February 2004.

	David Ballard, Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE BOARD'S OWN MOTION REQUIRING MIOCENE OIL COMPANY TO APPEAR AND PROVIDE THE BOARD WITH A FULL REPORT OF ITS CLEAN-UP OPERATIONS OF THE SALTWATER DISCHARGE FROM THE SUMMER NIGHT NO 21-1 DRILLING PIT IN THE NE'4NE'4 OF SECTION 21, T33N-R48E, DANIELS COUNTY, MONTANA; AND TO RECOMMEND TO THE BOARD A REASONABLE FINE FOR ITS VIOLATIONS OF BOARD RULES IN OPERATING LEASES IN DANIELS COUNTY, MONTANA.

ORDER NO. 58-2004

Docket No. 67-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of February 2004, 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. Member Denzil Young was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Miocene Oil Company did not appear and provide a full report of its clean up operation of the salt water discharge from its Summer Night No 21-1 drilling pit in the NE¼NE¼ of Section 21, T33N-R48E, Daniels County, Montana but did send its attorney. The required work has not been completed and will not be until the end of winter.

Order

IT IS FURTHER ORDERED by the Board of Oil and Gas Conservation of the State of Montana that, based on the recommendation of the Chief Field Inspector, Miocene Oil Company immediately pay a \$1000 fine and diligently pursue its clean up operations in a timely fashion as the weather permits.			
BOARD ORDER NO. 58-2004			
Done and performed by the Board of Oil and Billings, Montana, this 12th day of February 2004.	d Gas Conservation of the State of Montana at		
	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA		
	David Ballard, Chairman		
	Jerry Kennedy, Board Member		
	Jack King, Board Member		
	Allen Kolstad, Board Member		
	Elaine Mitchell, Board Member		
	Gary Willis, Board Member		
ATTEST:			
Terri H. Perrigo, Executive Secretary			