

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

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. TO FLARE MORE
THAN 100 MCF OF GAS PER DAY FROM
THE FOLLOWING WELLS IN
RICHLAND COUNTY, MONTANA:
THE IRIGOIN 15-23H IN SECTION 23,
T25N-R53E AND THE VAIRSTEP 1-22H
IN SECTION 22, T25N-R53E.

ORDER NO. 59- 2004

Docket No. 68-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 EOG Resources Inc. is authorized to flare more than 100 mcf per day from the following wells in Richland County, Montana: the Irigoin 15-23H in Section 23, T25N-R53E and the Vairstep 1-22H in Section 22, T25N-R53E. This permission will end December 8th, 2004. If a gathering line to the wells is not completed by that time, the Board will revisit the matter and it is unlikely permission will be extended.

BOARD ORDER NO. 59-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
FLARE GAS FROM ITS MARGARET #44-15H WELL
IN SECTION 15, T24N-R54E, RICHLAND COUNTY,
MONTANA IN EXCESS 100 MCF PER DAY.

ORDER NO. 60-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. Continental Resources, Inc. submitted this flaring request in accordance with 36.22.1220 A.R.M. The Board reviewed the request at its March 31, 2004 business meeting and chose to hear the request with Docket 68-2004.
3. The evidence indicates that the application should be granted in the manner here and after set forth.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the applicant is authorized to flare an average of 124 mcf of gas per day from its Margaret #44-15H well until December 8th, 2004.

BOARD ORDER NO. 60-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. TO CREATE A
TEMPORARY SPACING UNIT COMPRISED OF
ALL OF SECTIONS 16 AND 21, T26N-R52E,
RICHLAND COUNTY, MONTANA, FOR THE
DRILLING OF A HORIZONTAL WELL IN THE
BAKKEN FORMATION AND TO LOCATE THE
PROPOSED WELL ANYWHERE WITHIN SAID
TEMPORARY SPACING UNIT BUT NOT CLOSER
THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 61-2004

Docket No. 69-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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.

Order

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

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. 61-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. TO CREATE A
TEMPORARY SPACING UNIT COMPRISED OF
ALL OF SECTIONS 2 AND 11, T26N-R52E,
RICHLAND COUNTY, MONTANA, FOR THE
DRILLING OF A HORIZONTAL WELL IN THE
BAKKEN FORMATION AND AUTHORIZING
APPLICANT TO LOCATE ITS PROPOSED WELL
ANYWHERE WITHIN SAID TEMPORARY SPACING
UNIT BUT NOT CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 62-2004

Docket No. 70-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. While there is some confusion in the public about the effect of enlarging or including this much area in a spacing unit, the technology of horizontal wells not only allows more oil and gas to be recovered from a given area it is also environmentally preferable since it involves less disruption of the surface.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 62-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. TO CREATE A
TEMPORARY SPACING UNIT COMPRISED
OF ALL OF SECTIONS 3 AND 10, T26N-R52E,
RICHLAND COUNTY, MONTANA, FOR THE
DRILLING OF A HORIZONTAL WELL IN
THE BAKKEN FORMATION AND
AUTHORIZING SAID WELL TO BE
LOCATED ANYWHERE WITHIN SAID
TEMPORARY SPACING UNIT BUT NOT
CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 63-2004

Docket No. 71-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 EOG Resources, Inc. is granted as applied for.

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

BOARD ORDER NO. 63-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. TO CREATE A
TEMPORARY SPACING UNIT COMPRISED
OF ALL OF SECTIONS 4 AND 9, T26N-R52E,
RICHLAND COUNTY, MONTANA, FOR THE
DRILLING OF A HORIZONTAL WELL IN THE
BAKKEN FORMATION AND AUTHORIZING
SAID WELL TO BE LOCATED ANYWHERE
WITHIN SAID TEMPORARY SPACING UNIT
BUT NOT CLOSER THAN 660 FEET TO
THE BOUNDARIES THEREOF.

ORDER NO. 64-2004

Docket No. 72-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 EOG Resources, Inc. is granted as applied for.

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

BOARD ORDER NO. 64-2204

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. TO CREATE A
TEMPORARY SPACING UNIT COMPRISED
OF ALL OF SECTIONS 15 AND 22, T26N-R52E,
RICHLAND COUNTY, MONTANA, FOR THE
DRILLING OF A HORIZONTAL WELL IN THE
BAKKEN FORMATION AND AUTHORIZING
APPLICANT TO LOCATE ITS PROPOSED
HORIZONTAL WELL ANYWHERE WITHIN SAID
TEMPORARY SPACING UNIT BUT NOT CLOSER
THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 65-2004

Docket No. 73-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 applicants of EOG Resources, Inc. is granted as applied for.

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

BOARD ORDER NO. 65-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. FOR AN ORDER
VACATING THE TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTIONS
27 AND 34, T25N-R53E, RICHLAND COUNTY,
MONTANA, ESTABLISHED BY
BOARD ORDER 184-2003

ORDER NO. 66-2004

Docket No. 77-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 EOG Resources, Inc. to vacate Board Order 184-2003 is granted.

BOARD ORDER NO. 66-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. FOR AN ORDER
VACATING THE TEMPORARY SPACING
UNIT COMPRISED OF ALL OF
SECTIONS 25 AND 36, T25N-R53E,
RICHLAND COUNTY, MONTANA,
ESTABLISHED BY BOARD ORDER 232-2003.

ORDER NO. 67-2004

Docket No. 78-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 EOG Resources, Inc. to vacate Board Order 232-2003 is granted

BOARD ORDER NO. 67-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
K2 AMERICA CORP. TO DESIGNATE THE
E½ OF SECTION 34 AND THE W½ OF
SECTION 35, T32N-R10W, GLACIER COUNTY,
MONTANA, AS A TEMPORARY SPACING
UNIT AND AUTHORIZING THE DRILLING
OF A NATURAL GAS TEST WELL THEREON
AT A LOCATION 669' FEL AND 1697' FNL OF
SAID SECTION 34, AS EXCEPTIONS
TO A.R.M. 36.22.702.

ORDER NO. 68-2004

Docket No. 79-2004 and 12-2004 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 K2 America Corp. 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. 68-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
K2 AMERICA CORP. FOR AN ORDER
POOLING ALL INTERESTS IN THE
PERMANENT SPACING UNIT CONSISTING
OF LOTS 3 & 4, SW $\frac{1}{4}$ (W $\frac{1}{2}$) OF SECTION 3,
T32N-R6W, GLACIER COUNTY, MONTANA,
FOR PRODUCTION OF NATURAL GAS
FROM THE BOW ISLAND FORMATION
LYING THEREUNDER.

ORDER NO. 69-2004

Docket No. 80-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 W $\frac{1}{2}$ of Section 3, T32N-R6W, Glacier County, Montana, was designated a permanent spacing unit by Board Order 81-2003 and applicant is requesting that interests within the spacing unit be pooled on the basis of surface acreage.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of K2 America Corp. is granted as applied for.

BOARD ORDER NO. 69-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
MONTANA LAND & EXPLORATION, INC.
FOR AN ORDER AUTHORIZING AN
EXCEPTION TO THE STATEWIDE WELL
LOCATION RULE WITH REGARD TO
SECTION 12, T33N-R22E, BLAINE COUNTY,
MONTANA, TO ALLOW APPLICANT TO DRILL
THE ML&E ET AL SE CHERRY PATCH 5-12
NATURAL GAS WELL AT A LOCATION
800' FWL AND 1695' FNL OF SAID SECTION 12.

ORDER NO. 70-2004

Docket No. 81-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. Should the well be successful, applicant will apply for permanent spacing within 90 (ninety) days of first production.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 70-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
BURLINGTON RESOURCES OIL & GAS
COMPANY LP TO AMEND THE FIELD
RULES FOR THE EAST LOOKOUT BUTTE
RED RIVER UNIT AND THE WEST
CEDAR HILLS-RED RIVER "B" UNIT, BOTH
IN FALLON COUNTY, MONTANA, TO
AUTHORIZE THE DRILLING OF A HORIZONTAL
WELLBORE ALONG THE COMMON
BOUNDARY OF THE TWO UNITS IN
SECTIONS 3, 4, 9 AND 10 OF T6N-R61E IN
SUCH FASHION THAT THE WELLBORE
INTERSECTS BOTH UNITS.

ORDER NO. 71-2004

Docket No. 82-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 the operators of the two adjoining Red River Units have agreed on the method requested in the application to protect interests within the respective units and it is a reasonable solution.

Order

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

BOARD ORDER NO. 71-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. FOR AN
ORDER AUTHORIZING THE JOYCE #13-5H
(DUAL LATERAL) WELL TO PRODUCE
FROM ONE HORIZONTAL LATERAL
ALTHOUGH SAID LATERAL ENTERED
THE BAKKEN SHALE AT A LOCATION
APPROXIMATELY 600' FNL AND 1327' FWL
OF SECTION 5, T24N-R54E,
RICHLAND COUNTY, MONTANA, AS AN
EXCEPTION TO ANY APPLICABLE WELL
LOCATION RULES.

ORDER NO. 72-2004

Docket No. 84-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Continental Resources, Inc. is granted as applied for.

BOARD ORDER NO. 72-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
AMEND ANY PREVIOUS ORDERS OF THE
BOARD AND TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF
SECTIONS 11 AND 14, T23N-R54E,
RICHLAND COUNTY, MONTANA, FOR
THE DRILLING OF ONE MULTILATERAL
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 BOUNDARY.

ORDER NO. 73-2004

Docket No. 85-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Bakken Formation within the proposed temporary spacing unit is not included in any existing orders.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 73-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
AMEND ANY PREVIOUS ORDERS OF THE
BOARD AND TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF
SECTIONS 22 AND 27, T25N-R55E,
RICHLAND COUNTY, MONTANA, FOR
THE DRILLING OF ONE MULTILATERAL
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 BOUNDARIES THEREOF.

ORDER NO. 74-2004

Docket No. 86-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Bakken Formation within the proposed temporary spacing unit not included in any existing orders.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 74-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
DELINEATE A FIELD, ESTABLISH FIELD
RULES AND CREATE A PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTIONS 26 AND 35, T24N-R54E,
RICHLAND COUNTY, MONTANA, FOR THE
PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 75-2004

Docket No. 87-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. This application was protested by Burlington Resources Oil & Gas Company, Inc., the mineral owner in all of Section 35, T24N-R54E, Richland County, Montana.
3. The evidence indicates that granting the application will serve to protect correlative right and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 75-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent. I found the testimony of the protestant credible and feel the matter should be further investigated.

Jerry Kennedy, Board Member

I dissent. I found the exhibits of the protestant believable and heard nothing from applicant to refute the protestant.

Elaine Mitchell, Board Member

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

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
DELINEATE A FIELD, ESTABLISH FIELD
RULES AND CREATE A PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTION 3, T23N-R54E AND ALL OF
SECTION 34, T24N-R54E,
RICHLAND COUNTY, MONTANA, FOR THE
PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 76-2004

Docket No. 88-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. This application was protested by Burlington Resources Oil & Gas Company, L.P., the mineral owner in Lots 1,2, S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ SE $\frac{1}{4}$, and SESW of Section 3, T23N-R54E, Richland County, Montana.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 76-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent. I found the testimony of the protestant credible and feel the matter should be further investigated.

Jerry Kennedy, Board Member

I dissent. I found the exhibits of the protestant believable and heard nothing from applicant to refute the protestant.

Elaine Mitchell, Board Member

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

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
DELINEATE A FIELD, ESTABLISH FIELD
RULES AND CREATE A PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTIONS 15 AND 22, T24N-R54E,
RICHLAND COUNTY, MONTANA, FOR THE
PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 77-2004

Docket No. 89-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. This application was protested by Burlington Resources Oil & Gas Company, L.P., the mineral owner in the W½ of Section 15, T24N-R54E, Richland County, Montana.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 77-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent. I found the testimony of the protestant credible and feel the matter should be further investigated.

Jerry Kennedy, Board Member

I dissent. I found the exhibits of the protestant believable and heard nothing from applicant to refute the protestant.

Elaine Mitchell, Board Member

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

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
DELINEATE A FIELD, ESTABLISH FIELD
RULES AND CREATE A PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTION 3, T23N-R55E AND ALL OF
SECTION 34, T24N-R55E,
RICHLAND COUNTY, MONTANA, FOR THE
PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN FORMATION.

ORDER NO. 78-2004

Docket No. 90-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. Elaine Mitchell and Jerry Kennedy recused themselves. 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. This application was protested by Burlington Resources Oil & Gas Company, L.P., the mineral owner in the S½ of Section 3, T23N-R55E, Richland County, Montana.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 78-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent. I found the testimony of the protestant credible and feel the matter should be further investigated.

Jerry Kennedy, Board Member

I dissent. I found the exhibits of the protestant believable and heard nothing from applicant to refute the protestant.

Elaine Mitchell, Board Member

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

IN THE MATTER OF THE APPLICATION OF
EAGLE CREEK COLONY, INC. TO
DELINEATE THE SW¼, E½NW¼ OF
SECTION 9, T34N-R4E, LIBERTY COUNTY,
MONTANA, AS A PERMANENT SPACING
UNIT FOR THE PRODUCTION OF GAS FROM
ALL ZONES FROM THE SURFACE OF THE
EARTH TO THE TOP OF THE
RIERDON FORMATION. (GRANDVIEW FIELD)

ORDER NO. 79-2004

Docket No. 91-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Eagle Creek Colony, Inc. is granted as applied for.

BOARD ORDER NO. 79-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
ALTAMONT OIL & GAS, INC. TO AMEND
BOARD ORDER 342-2004 TO PROVIDE THAT
DRILLING PERMITS MAY BE ISSUED FOR
LOCATIONS WITHIN THE LAKE FRANCES
FIELD IN PONDERA COUNTY, MONTANA,
WITHOUT FURTHER PUBLIC NOTICE.

ORDER NO. 80-2004

Docket No. 92-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 drilling permits for locations in the Lake Frances Field may be issued without publication notice.

BOARD ORDER NO. 80-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
KLABZUBA OIL & GAS, INC. FOR AN
EXCEPTION TO BOARD ORDER 171-2004 IN
SECTION 11, T36N-R15E, HILL COUNTY,
MONTANA, TO ALLOW THE DRILLING OF
AN ADDITIONAL NIOBRARA FORMATION
GAS WELL (THE VERPLOEGEN-FEDERAL
#11-1-36-15B WELL) AT A LOCATION
ANYWHERE WITHIN SAID SECTION 11 BUT
NOT CLOSER THAN 990 FEET TO THE
SPACING UNIT BOUNDARIES.

ORDER NO. 81-2004

Docket No. 93-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 81-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
WESTPORT OIL AND GAS COMPANY, L.P.
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF ALL OF SECTIONS 32 AND 33,
T23N-R57E, RICHLAND COUNTY, MONTANA,
FOR THE DRILLING OF A HORIZONTAL
BAKKEN FORMATION WELL AND
AUTHORIZING SAID WELL TO BE LOCATED
ANYWHERE WITHIN SAID TEMPORARY
SPACING UNIT BUT NOT CLOSER THAN
660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 82-2004

Docket No. 94-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Westport Oil & Gas Company, L.P. is granted as applied for.

BOARD ORDER NO. 82-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
WESTPORT OIL AND GAS COMPANY, L.P.
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF ALL OF SECTIONS 34 AND 35,
T23N-R57E, RICHLAND COUNTY, MONTANA,
FOR THE DRILLING OF A HORIZONTAL
BAKKEN FORMATION WELL AND
AUTHORIZING SAID WELL TO BE LOCATED
ANYWHERE WITHIN SAID TEMPORARY
SPACING UNIT BUT NOT CLOSER THAN
660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 83-2004

Docket No. 95-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Westport Oil & Gas Company, L.P. is granted as applied for.

BOARD ORDER NO. 83-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
ENCORE OPERATING, L.P. FOR AN ORDER
DETERMINING THAT APPLICANT IS
ENTITLED TO APPROPRIATE SEVERANCE
TAX REDUCTIONS FOR HORIZONTAL
RE-ENTRIES FOR THE FOLLOWING WELLS
IN FALLON AND WIBAUX COUNTIES, MONTANA:

ORDER NO. 84-2004

API NUMBER	WELL NAME	COMPLETION DATE
25-109-21150-00-00	SP 22-14AH	December, 2004
25-025-21414-00-00	LBE 31X-08H	January, 2004
25-025-21437-00-00	LOB 11-14CCH	January, 2004

Docket No. 97-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 applicant is entitled to the appropriate severance tax reductions for wells listed in the caption.

IT IS FURTHER ORDERED that staff submit the appropriate certification to the Department of Revenue.

BOARD ORDER NO. 84-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
HEADINGTON OIL, LIMITED PARTNERSHIP
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF ALL OF SECTIONS 13 AND 24,
T22N-R59E, RICHLAND COUNTY, MONTANA,
FOR THE DRILLING OF A HORIZONTAL
WELL IN THE BAKKEN FORMATION, SAID
WELL TO BE LOCATED ANYWHERE
WITHIN SAID TEMPORARY SPACING UNIT
BUT NOT CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 85-2004

Docket No. 98-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 85-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
HEADINGTON OIL, LIMITED PARTNERSHIP
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF ALL OF SECTIONS 13 AND 14,
T23N-R57E, RICHLAND COUNTY, MONTANA,
FOR THE DRILLING OF A HORIZONTAL
WELL IN THE BAKKEN FORMATION, SAID
WELL TO BE LOCATED ANYWHERE WITHIN
SAID TEMPORARY SPACING UNIT BUT NOT
CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 86-2004

Docket No. 100-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 86-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION
OF J. BURNS BROWN OPERATING
COMPANY TO DRILL AN EAGLE
FORMATION GAS WELL IN A 640-ACRE
TEMPORARY SPACING UNIT CONSISTING
OF THE S½ OF SECTION 13 AND THE N½
OF SECTION 24, T34N-R14E, HILL
COUNTY, MONTANA, AT A LOCATION 150'
FNL AND 2600' FEL OF SAID SECTION 24,
WITH A 100-FOOT TOLERANCE FOR
TOPOGRAPHIC REASONS AS AN
EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 87-2004

Docket No. 102-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 87-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
FOR AN ORDER DELINEATING ALL OF
SECTION 30, T35N-R15E, HILL COUNTY,
MONTANA, AS A PERMANENT SPACING
UNIT FOR THE EAGLE FORMATION AND
DESIGNATING APPLICANT'S RHOADES
30-35-15 WELL AS THE ONLY AUTHORIZED
WELL FOR SAID SPACING UNIT.

ORDER NO. 88-2004

Docket No. 103-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 88-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
TO DRILL AN ADDITIONAL EAGLE
FORMATION GAS TEST WELL IN
SECTION 2, T26N-R15E, CHOUTEAU
COUNTY, MONTANA, AT LOCATION
700' FNL AND 1150' FEL OF SAID
SECTION 2, WITH A 100-FOOT TOLERANCE
IN ANY DIRECTION EXCEPT NORTH FOR
TOPOGRAPHIC REASONS AS AN
EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 89-2004

Docket No. 105-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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.

BOARD ORDER NO. 89-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CAMWEST II L.P. TO CERTIFY THE NORTH
GOOSE LAKE RATCLIFFE UNIT AREA IN
SHERIDAN COUNTY, MONTANA, AS AN
EXPANDED ENHANCED RECOVERY
PROJECT EFFECTIVE AS OF
MARCH 1, 2004, AND TO DETERMINE
THE PRODUCTION DECLINE RATES
USED TO CALCULATE INCREMENTAL
PRODUCTION IN THE PROJECT AREA.

ORDER NO. 90-2004

Docket No. 107-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Camwest II L.P. is granted as applied for.

IT IS FURTHER ORDERED that staff make the appropriate submission to the Department of Revenue.

BOARD ORDER NO. 90-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
STAGHORN ENERGY, LLC FOR
CERTIFICATION OF A HORIZONTAL
RECOMPLETION OF THE VAIRA #44-24
WELL IN SECTION 24, T24N-R54E,
RICHLAND COUNTY, MONTANA.

ORDER NO. 91-2004

Docket No. 108-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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 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 Staghorn Energy, LLC is entitled to the appropriate severance tax reduction for the well listed in the caption.

IT IS FURTHER ORDERED that staff submit the appropriate certification to the Department of Revenue.

BOARD ORDER NO. 91-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CORTEZ OPERATING COMPANY TO
CERTIFY THE FOLLOWING WELLS IN
DAWSON COUNTY, MONTANA, AS
RECOMPLETED HORIZONTAL WELLS
ENTITLED TO CERTIFICATION FOR THE
TAX ADVANTAGES AVAILABLE:

ORDER NO. 92-2004

API NUMBER	WELL NAME	COMPLETION DATE
25-021-21114-00-00	Lloyd 44X-26	August 21, 2004
25-021-05042-00-00	Gas City Unit Well 13X-27	July 1, 2004
25-021-21120-00-00	Gas City Unit Well 34X-21	January 26, 2004
25-021-05222-00-00	NPG NCT 9-3	August 31, 2004

Docket No. 109-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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 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 entitled to the appropriate severance tax reductions for the wells listed in the caption.

IT IS FURTHER ORDERED that staff submit the appropriate certification to the Department of Revenue.

BOARD ORDER NO. 92-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
SLAWSON EXPLORATION COMPANY, INC.
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF ALL OF SECTIONS 15 AND
22, T24N-R53E, RICHLAND COUNTY,
MONTANA, FOR THE DRILLING OF A
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. 93-2004

Docket No. 110-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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 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 Slawson Exploration Company, Inc. is granted as applied for.

BOARD ORDER NO. 93-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
SLAWSON EXPLORATION COMPANY, INC.
FOR AN ORDER VACATING THE
TEMPORARY SPACING UNIT CREATED
PURSUANT TO BOARD ORDER 101-2003,
AND DESIGNATING A NEW TEMPORARY
SPACING UNIT COMPRISED OF ALL OF
SECTIONS 7 AND 8, T25N-R54E, RICHLAND
COUNTY, MONTANA, FOR THE DRILLING
OF A HORIZONTAL WELL IN THE BAKKEN
FORMATION, SAID WELL TO BE LOCATED
ANYWHERE WITHIN SAID TEMPORARY
SPACING UNIT BUT NOT CLOSER THAN
660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 94-2004

Docket No. 111-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 94-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY FOR AN ORDER ELIMINATING
OR WAIVING ALL SPACING AND WELL
LOCATION RULES FOR THE JUDITH RIVER
FORMATION UNDERLYING CEDAR CREEK
UNIT 8B IN THE CEDAR CREEK GAS FIELD
IN FALLON COUNTY, MONTANA.

ORDER NO. 95-2004

Docket No. 112-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. A letter from protestant John Hadley was read into the record.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 95-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY FOR AN ORDER AUTHORIZING
UP TO FOUR WELLS PER SPACING UNIT
WITH REGARD TO THE FOLLOWING
LANDS WITHIN THE CEDAR CREEK
GAS FIELD IN FALLON COUNTY,
MONTANA: E1/2 OF SECTION 1, T10N-R57E;
ALL OF SECTION 7, 17 AND 23 AND 33,
T10N-R58E; W1/2 OF SECTION 27 AND THE
E1/2 OF SECTION 29, T10N-R58E; AND THE
W1/2 OF SECTION 31, T11N-R58E.

ORDER NO. 96-2004

Docket No. 113-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. A letter from protestant John Hadley was read into the record.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 96-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY TO DELINEATE THE E $\frac{1}{2}$ SW $\frac{1}{4}$
AND THE W $\frac{1}{2}$ SE $\frac{1}{4}$ OF SECTION 1, T32N-R32E,
PHILLIPS COUNTY, MONTANA, AS A
PERMANENT SPACING UNIT FOR
APPLICANT'S #1233 NATURAL GAS WELL
LOCATED 1028' FSL AND 2350' FWL OF SAID
SECTION 1, AND AUTHORIZING APPLICANT
TO PRODUCE PHILLIPS, BOWDOIN AND
NIOBRARA FORMATION NATURAL GAS
THEREFROM.

ORDER NO. 97-2004

Docket No. 114-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Fidelity Exploration & Production Company is granted as applied for.

BOARD ORDER NO 97-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY FOR AN ORDER AUTHORIZING
AND APPROVING EXCEPTIONS TO THE
STATEWIDE RULE (A.R.M 36.22.702) WITH
REGARD TO SECTION 31, T8S-R40E,
BIG HORN COUNTY, MONTANA.
SPECIFICALLY, APPLICANT PROPOSES TO
DRILL FOUR WELLS WITHIN AND UPON
SAID SECTION 31 ON TWO WELL PADS AT
THE FOLLOWING LOCATIONS:

ORDER NO. 98-2004

1) 372' FWL AND 957' FNL OF
SAID SECTION 31; 2) 373' FWL AND 1004' FNL
OF SAID SECTION 31; 3) 1806' FWL AND
1942' FNL OF SAID SECTION 31; AND 4)
1843' FWL AND 1965' FNL OF SAID SECTION 31.
BECAUSE THE FIRST TWO WELLS ARE LOCATED
LESS THAN 990 FEET FROM THE EXTERIOR
BOUNDARIES OF SAID SECTION 31, APPLICANT
REQUESTS AUTHORIZATION TO DRILL, TEST,
AND PRODUCE SAID WELLS AS EXCEPTIONS TO
A.R.M. 36.22.702 REQUIRING 990-FOOT SETBACKS.
APPLICANT FURTHER REQUESTS A 100-FOOT
TOLERANCE FOR EACH PROPOSED WELL FOR
TOPOGRAPHIC REASONS.

Docket No. 115-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 applicant proposes to drill four wells on Section 31, T8S-R40E, at the locations stated in the caption.
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.

BOARD ORDER NO. 98-2004

Order

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

IT IS FURTHER ORDERED that this is a pilot project and commercial production is not authorized by the Board. Applicant is authorized, however, to vent any gas that may be encountered during the pilot project.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY FOR AN ORDER APPROVING
ITS SPRING CREEK PILOT PROJECT PLAN
OF DEVELOPMENT FOR COAL BED
NATURAL GAS EXPLORATION AND
DEVELOPMENT IN AND UNDER LOTS
1, 2, 3, & 4, E½W½, E½ (ALL) OF SECTION
31, T8S-R40E, BIG HORN COUNTY, MONTANA.

ORDER NO. 99-2004

Docket No. 116-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 is granted as applied for.

IT IS FURTHER ORDERED that this is a test project only and this order does not authorize commercial production. Applicant is, however, authorized to vent any gas that may be encountered during the pilot project.

IT IS FURTHER ORDERED that approval of the Spring Creek Pilot Project Plan of Development is contingent upon completion of an environmental assessment.

BOARD ORDER NO. 99-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
PERMIT THE DRILLING OF TWO
ADDITIONAL EAGLE SAND FORMATION
GAS WELLS AT LOCATIONS ANYWHERE
WITHIN SECTION 30, T32N-R17E, HILL
COUNTY, MONTANA, BUT NOT CLOSER
THAN 660 FEET TO THE SPACING UNIT
BOUNDARIES WITH A 150-FOOT
TOLERANCE IN ANY DIRECTION FOR
OPOGRAPHIC REASONS AS AN EXCEPTION
TO BOARD ORDER 10-70 (TIGER RIDGE FIELD).

ORDER NO. 100-2004

Docket No. 117-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 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 the application is granted with the exception that said wells must be no closer than 660' to the spacing unit boundaries with no topographic tolerance in any direction.

BOARD ORDER NO. 100-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
PERMIT THE DRILLING OF TWO
ADDITIONAL EAGLE SAND FORMATION
GAS WELLS ANYWHERE WITHIN SECTION 29,
T32N-R16E, 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 ORDER 10-70
(TIGER RIDGE FIELD).

ORDER NO. 101-2004

Docket No. 119-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Devon Louisiana Corporation is authorized to drill two additional Eagle Sand Formation gas wells in Section 29, T32N-R16E, not closer than 660' to the spacing unit boundaries as an exception to the Tiger Ridge Field rules.

BOARD ORDER NO. 101-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE SAND
FORMATION GAS WELLS ANYWHERE
WITHIN SECTION 21, T31N-R19E, BLAINE
COUNTY, MONTANA, BUT NOT CLOSER
THAN 660 FEET TO THE SPACING UNIT
BOUNDARIES AS AN EXCEPTION TO
A.R.M 36.22.702.

ORDER NO. 102-2004

Docket No. 120-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 102-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
PERMIT THE DRILLING OF THREE
ADDITIONAL EAGLE SAND FORMATION
GAS WELLS ANYWHERE WITHIN
SECTION 36, T30N-R15E, HILL COUNTY,
MONTANA, BUT NOT CLOSER THAN 660
FEET TO THE SPACING UNIT BOUNDARIES
AS AN EXCEPTION TO A.R.M 36.22.702.

ORDER NO. 103-2004

Docket No. 121-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 103-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL AN ADDITIONAL EAGLE SAND
FORMATION GAS WELL ANYWHERE
WITHIN THE NW¼ OF SECTION 35,
T30N-R15E, HILL COUNTY, MONTANA, BUT
NOT CLOSER THAN 450 FEET TO THE
SPACING UNIT BOUNDARIES, WITH A
150-FOOT TOLERANCE IN ANY DIRECTION
FOR TOPOGRAPHIC REASONS, AS AN
EXCEPTION TO BOARD ORDERS 26-74
AND 30-89 (TIGER RIDGE FIELD).

ORDER NO. 104-2004

Docket No. 122-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 herein 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 Devon Louisiana Corporation is authorized to drill an additional Eagle Sand Formation gas well in the NW¼ of Section 35, T30N-R15E, Hill County, Montana not closer than 500 feet to the south line of said spacing unit and not closer than 660 feet to the other spacing unit boundaries.

BOARD ORDER NO. 104-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE SAND
FORMATION GAS WELL ANYWHERE
WITHIN THE NW¼ OF SECTION 34,
T30N-R15E, HILL COUNTY, MONTANA,
BUT NOT CLOSER THAN 450 FEET TO THE
SPACING UNIT BOUNDARIES, WITH A
150-FOOT TOLERANCE IN ANY DIRECTION
FOR TOPOGRAPHIC REASONS, AS AN
EXCEPTION TO BOARD ORDERS 26-74
AND 10-90 (TIGER RIDGE FIELD).

ORDER NO. 105-2004

Docket No. 123-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 in the manner herein 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 Devon Louisiana Corporation is authorized to drill two additional Eagle Sand Formation gas well anywhere within the NW¼ of Section 34, T30N-R15E, Hill County, Montana but not closer than 450 feet to the spacing unit boundaries with no topographic tolerance as an exception to the Tiger Ridge Field rules.

BOARD ORDER NO. 105-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE SAND
FORMATION GAS WELL ANYWHERE WITHIN
THE SECTION 9, T26N-R20E, BLAINE COUNTY,
MONTANA, BUT NOT CLOSER THAN 990
FEET TO THE SPACING UNIT BOUNDARIES
AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 106-2004

Docket No. 124-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 106-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE-VIRGELLE
FORMATION GAS WELLS ANYWHERE
WITHIN THE E½ OF SECTION 21, T27N-R17E,
CHOUTEAU COUNTY, MONTANA, BUT NOT
CLOSER THAN 450 FEET TO THE SPACING
UNIT BOUNDARIES, WITH A 150-FOOT
TOLERANCE IN ANY DIRECTION FOR
TOPOGRAPHIC REASONS AS AN EXCEPTION
TO BOARD ORDER 26-74 (BULLWACKER FIELD).

ORDER NO. 107-2004

Docket No. 125-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 herein 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 Devon Louisiana Corporation is authorized drill two additional Eagle-Virgelle Formation gas wells anywhere within the E½ of Section 21, T27N-R17E, Chouteau County, Montana, but not closer than 660 feet to the east line and 450 feet to the other spacing unit boundaries with no topographic tolerance as an exception to the Bullwacker Field rules.

BOARD ORDER NO. 107-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE-VIRGELLE
FORMATION GAS WELLS ANYWHERE
WITHIN THE W½ OF SECTION 21, T27N-R17E,
CHOUTEAU COUNTY, MONTANA, BUT NOT
CLOSER THAN 450 FEET TO THE SPACING
UNIT BOUNDARIES, WITH A 150-FOOT
TOLERANCE IN ANY DIRECTION FOR
TOPOGRAPHIC REASONS AS AN EXCEPTION
TO BOARD ORDER 26-74 (BULLWACKER FIELD).

ORDER NO. 108-2004

Docket No. 126-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 Devon Louisiana Corporation is authorized to drill two additional Eagle-Virgelle formation gas wells anywhere within the W½ of Section 21, T27N-R17E, Chouteau County, Montana, but not closer than 450 feet to the spacing unit boundaries with no topographic tolerance as an exception to the Bullwacker Field rules.

BOARD ORDER NO. 108-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE SAND
FORMATION GAS WELLS ANYWHERE
WITHIN SECTION 12, T27N-R18E, BLAINE
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 ORDER 45-76
(SAWTOOTH MOUNTAIN FIELD).

ORDER NO. 109-2004

Docket No. 127-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 109-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL AN ADDITIONAL EAGLE SAND
FORMATION GAS WELL ANYWHERE WITHIN
THE SW¼ OF SECTION 1, T27N-R18E, BLAINE
COUNTY, MONTANA, BUT CLOSER THAN
360 FEET TO THE SPACING UNIT
BOUNDARIES, WITH A 150-FOOT TOLERANCE
IN ANY DIRECTION FOR TOPOGRAPHIC
REASONS AS AN EXCEPTION TO BOARD
ORDER 45-76 (SAWTOOTH MOUNTAIN FIELD).

ORDER NO. 110-2004

Docket No. 128-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 herein 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 Devon Louisiana Corporation is authorized to drill an additional Eagle Sand Formation gas well anywhere within the SW¼ of Section 1, T27N-R18E, Blaine County, Montana, but not closer than 360 feet to the spacing unit boundaries with no topographic tolerance as an exception to the Sawtooth Mountain Field rules.

BOARD ORDER NO. 110-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE SAND
FORMATION GAS WELLS ANYWHERE
WITHIN SECTION 1, T26N-R20E, BLAINE
COUNTY, MONTANA, NOT CLOSER THAN
660 FEET TO THE SPACING UNIT BOUNDARIES,
TOGETHER WITH AUTHORITY TO DRILL
TWO ADDITIONAL EAGLE SAND FORMATION
GAS WELLS ANYWHERE WITHIN THE W½ OF
SAID SECTION 1 BUT NOT CLOSER THAN 450
FEET TO THE WEST LINE OF SAID SPACING
UNIT, WITH A 150-FOOT TOLERANCE IN ANY
DIRECTION FOR TOPOGRAPHIC REASONS AS
AN EXCEPTION TO BOARD ORDER 45-76
(SAWTOOTH MOUNTAIN FIELD).

ORDER NO. 111-2004

Docket No. 129-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. Allen Kolstad recused himself. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application in the manner herein 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 the application is granted as applied for with the exception that no topographic tolerance is allowed.

BOARD ORDER NO. 111-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE SAND
FORMATION GAS WELLS ANYWHERE
WITHIN THE NE¼ OF SECTION 19,
T30N-R16E, HILL COUNTY, MONTANA,
NOT CLOSER THAN 450 FEET TO THE
SPACING UNIT BOUNDARIES WITH A 1
50-FOOT TOLERANCE IN ANY DIRECTION
FOR TOPOGRAPHIC REASONS AS AN
EXCEPTION TO BOARD ORDERS 10-70
AND 66-91 (TIGER RIDGE FIELD).

ORDER NO. 112-2004

Docket No. 130-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 herein 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 Devon Louisiana Corporation is authorized to drill two additional Eagle Sand Formation gas wells anywhere within the NE¼ of Section 19, T30N-R16E, Hill County, Montana, not closer than 500 feet to the spacing unit boundaries with no topographic tolerance as an exception to the Tiger Ridge Field rules.

BOARD ORDER NO. 112-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL TWO ADDITIONAL EAGLE SAND
FORMATION GAS WELLS ANYWHERE
WITHIN THE SW¼ OF SECTION 19,
T30N-R16E, HILL COUNTY, MONTANA,
NOT CLOSER THAN 450 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 66-91 (TIGER RIDGE FIELD).

ORDER NO. 113-2004

Docket No. 131-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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 herein 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 Devon Louisiana Corporation is authorized to drill two additional Eagle Sand Formation gas wells anywhere within the SW¼ of Section 19, T30N-R16E, Hill County, Montana, not closer than 500 feet to the spacing unit boundaries with no topographic tolerance as an exception to the Tiger Ridge Field rules.

BOARD ORDER NO. 113-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL AN ADDITIONAL EAGLE SAND
FORMATION GAS WELL ANYWHERE IN
THE SE¼ OF SECTION 19, T30N-R16E, HILL
COUNTY, MONTANA, NOT CLOSER THAN
450 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 66-91 (TIGER RIDGE FIELD).

ORDER NO. 114-2004

Docket No. 132-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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.

3. The evidence indicates that granting the application in the manner herein 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 Devon Louisiana Corporation is authorized to drill an additional Eagle Sand Formation gas well anywhere within the SE¼ of Section 19, T30N-R16E, Hill County, Montana, not closer than 500 feet to the spacing unit boundaries with no topographic tolerance as an exception to the Tiger Ridge Field rules.

BOARD ORDER NO. 114-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL AN EAGLE SAND FORMATION GAS
WELL ANYWHERE IN THE NW¼ OF
SECTION 20, T30N-R16E, HILL COUNTY,
MONTANA, NOT CLOSER THAN 450 FEET
TO THE TEMPORARY SPACING UNIT
BOUNDARIES WITH A 150-FOOT
TOLERANCE IN ANY DIRECTION FOR
TOPOGRAPHIC REASONS AS AN
EXCEPTION TO BOARD ORDER 20-2004.

ORDER NO. 115-2004

Docket No. 133-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 115-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
DEVON LOUISIANA CORPORATION TO
DRILL AN EAGLE SAND FORMATION GAS
WELL ANYWHERE IN THE SW¼ OF
SECTION 23, T30N-R15E, HILL COUNTY,
MONTANA, NOT CLOSER THAN 660 FEET
TO THE EXTERIOR BULLHOOK UNIT
BOUNDARIES, AS AN EXCEPTION TO
BOARD ORDER 41-72.

ORDER NO. 116-2004

Docket No. 134-2004

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. 116-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
ESTABLISH A TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTIONS
23 AND 26, T24N-R57E, RICHLAND COUNTY,
MONTANA, TO DRILL UP TO TWO
HORIZONTAL WELLS IN THE BAKKEN
FORMATION AND AUTHORIZING SAID
WELLS TO BE LOCATED ANYWHERE
WITHIN SAID SPACING UNIT BUT NOT
CLOSER THAN 660 FEET FROM THE
BOUNDARIES THEREOF.

ORDER NO. 117-2004

Docket No. 405-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Applicant's application was amended to request one authorized well in the proposed temporary spacing unit.
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 all of Sections 23 and 26, T24N-R57E is designated as a temporary spacing unit for the production of oil and associated gas from the Bakken Formation with one horizontal well authorized within said spacing unit, said well to be no closer than 660 feet to the boundaries of the temporary spacing unit.

BOARD ORDER NO. 117-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTION 21,
T24N-R55E, RICHLAND COUNTY,
MONTANA, AS A FIELD AND PERMANENT
SPACING UNIT FOR THE PRODUCTION OF
OIL AND ASSOCIATED NATURAL GAS
FROM THE BAKKEN FORMATION AND
AUTHORIZING UP TO TWO HORIZONTAL
WELLS TO BE LOCATED ANYWHERE
WITHIN SAID SPACING UNIT BUT NOT
CLOSER THAN 660 FEET FROM THE
BOUNDARIES THEREOF.

ORDER NO. 118-2004

Docket No. 407-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Applicant's application was amended to request one authorized well in the proposed permanent spacing unit.
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 Section 21, T24N-R55E is designated a permanent spacing unit for the production of oil and associated gas from the Bakken Formation with one well authorized in said spacing unit.

BOARD ORDER NO. 118-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTIONS 19 AND 30,
T25N-R54E, RICHLAND COUNTY,
MONTANA, AS A FIELD AND PERMANENT
SPACING UNIT FOR PRODUCTION OF OIL
AND ASSOCIATED NATURAL GAS FROM
THE BAKKEN FORMATION AND
AUTHORIZING UP TO TWO HORIZONTAL
WELLS TO BE LOCATED ANYWHERE
WITHIN SAID SPACING UNIT BUT NOT
CLOSER THAN 660 FEET FROM THE
BOUNDARIES THEREOF.

ORDER NO. 119-2004

Docket No. 409-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Applicant's application was amended to request one authorized well in the proposed permanent spacing unit.
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 all of Sections 19 and 30, T25N-R54E is designated a permanent spacing unit for the production of oil and associated gas from the Bakken Formation with one well authorized in said spacing unit.

BOARD ORDER NO. 119-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
LYCO ENERGY CORPORATION TO
DELINEATE ALL OF SECTIONS 19 AND 30,
T24N-R56E, RICHLAND COUNTY, MONTANA,
AS A FIELD AND PERMANENT SPACING
UNIT FOR PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM THE
BAKKEN FORMATION AND AUTHORIZING
UP TO TWO HORIZONTAL WELLS TO BE
LOCATED ANYWHERE WITHIN SAID
SPACING UNIT BUT NOT CLOSER THAN
660 FEET FROM THE BOUNDARIES THEREOF.

ORDER NO. 120-2004

Docket No. 410-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Applicant's application was amended to request one authorized well in the proposed permanent spacing unit.
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 all of Sections 19 and 30, T24N-R56E is designated a permanent spacing unit for the production of oil and associated gas from the Bakken Formation with one well authorized in said spacing unit.

BOARD ORDER NO. 120-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF REQUIRING
TOI OPERATING TO APPEAR
AND SHOW CAUSE, IF ANY IT
HAS, WHY ITS BOND SHOULD
NOT BE FORFEITED AND WHY IT
SHOULD NOT BE PENALIZED
FOR FAILURE TO PLUG AND
RESTORE WELLS.

ORDER NO. 121-2004

Docket No. 386-2003

Report of the Board

The above entitled cause came on regularly for hearing on the 1st day of April, 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. 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. This matter is continued until the May 19, 2004 business meeting.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that TOI Operating shall complete the work on the first nine items contained in the three-page attached "TOI Well Status" report (dated September 30, 2003) by the May 19, 2004 business meeting. If those items have not been completed, TOI Operating, Inc. shall be fined \$1000 for non-performance.

IT IS FURTHER ORDERED that TOI Operating, Inc. provide a plan to the Board at its July 14, 2004 business meeting regarding its other eight idle wells (Halmans 42-20, Moerman 14-30, BN 11-11, BN 12-11, Labonte 32-23, Schweigert 14-30, Dore #1 and Norgaard #1) and two unrestored locations. (Ballard 22-20 and Blair 33-31X wells). If the locations are not restored or if a plan is not presented, an escalating daily fine will be assessed.

IT IS FURTHER ORDERED that TOI Operating, Inc. present an overall report of its financial situation and plugging and/or production resumption plans at the Board's September 15, 2004 business meeting. If substantial progress has not been made, the continued Show Cause hearing for bond forfeiture will be scheduled for October 28, 2004.

BOARD ORDER NO. 121-2004

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 1st day of April 2004.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary