

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

CONSERVATION AND PREVENTION )  
OF WASTE OF OIL AND GAS )

NOTICE OF PUBLIC HEARING

The Board of Oil and Gas Conservation will hold a business meeting at 2:00 p.m., Wednesday, June 8, 2005, in the conference room at the Board's office at 2535 St. Johns Avenue in Billings, Montana. The agenda for that meeting is:

1. Call to order
2. Approval of minutes of April 27, 2005 business meeting
3. Opportunity for public comment
4. Bond report
5. Financial report
6. Legal Services Contract
7. Encore Operating, L.P. – Bell Creek Field update
8. Default docket
9. Staff reports

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below beginning at 8:00 a.m. Thursday, June 9, 2005, in the conference room of the Billings Petroleum Club on the 22<sup>nd</sup> floor of the Sheraton Hotel in Billings, Montana. For more information or to request accommodation for a disability, please contact Terri Perrigo at (406) 444-6675 or Tom Richmond at (406) 656-0040 as soon as possible before the scheduled hearing.

Docket No. 186-2005

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

Upon the protest of Montana Oil Properties, Inc. to the application of **CONTINENTAL RESOURCES, INC.** for a permit to drill an oil and gas well 500' FNL and 800' FEL of Section 22, T26N-R54E, Richland County, Montana. The proposed location was subsequently moved to 1460' FNL and 800' FEL of said Section 22.

Docket No. 187-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to delineate the W½ of Section 16, T35N-R18E and the E½ of Section 17, T35N-R18E, Blaine County, Montana, as a 640-acre permanent spacing unit for the Eagle Formation and to designate applicant's State 16-35-18 well as the authorized well for said spacing unit.

Docket No. 188-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an Eagle/Niobrara gas test well in a 640-acre temporary spacing unit consisting of the E½ of Section 20 and the W½ of Section 21, T35N-R18E, Blaine County, Montana, at a location 1750' FSL and 150' FWL of said Section 21, with a 75-foot tolerance for topographic reasons as an exception to A.R.M. 36.22.702. Applicant requests placement on the Default Docket.

Docket No. 189-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to amend Board Order 26-2002 to permit the drilling of an Eagle gas test well in the 640-acre temporary spacing unit consisting of the W½ of Section 17 and the E½ of Section 18, T34N-R19E, Blaine County, Montana, at a location 550' FSL and 1250' FEL of said Section 18, with a 75-foot tolerance in any direction except south for topographic reasons. Applicant requests placement on the Default Docket.

Docket No. 190-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill three additional Eagle Formation gas test wells in Section 13, T34N-R18E, Blaine County, Montana, at locations not less than 990 feet from the exterior boundaries of said Section 13, as an exception to Board Orders 151-2001 and 216-2003 and A.R.M. 36.22.702. Applicant requests placement on the Default Docket.

Docket No. 191-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an additional Eagle Formation gas test well in Section 19, T34N-R19E, Blaine County, Montana, at a location not less than 990 feet from the exterior boundaries of said Section 19, as an exception to A.R.M. 36.22.702. Applicant requests placement on the Default Docket.

Docket No. 192-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill a Sawtooth Formation oil test well in a 160-acre temporary spacing unit consisting of the SW¼ of Section 30, T35N-R19E, Blaine County, Montana, at a location 1600' FSL and 1600' FWL of said Section 30, with a 75-foot tolerance for topographic reasons as an exception to A.R.M. 36.22.702. Applicant requests placement on the Default Docket.

Docket No. 193-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an additional Eagle gas well in the W½ of Section 18, T34N-R19E, Blaine County, Montana, at a location not less than 660 feet from the exterior boundaries thereof, as an exception to Board Order 26-2002. Applicant requests placement on the Default Docket.

Docket No. 194-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an Eagle Formation gas test well in a 320-acre temporary spacing consisting of the S½S½ of Section 8 and the N½N½ of Section 17, T35N-R18E, Blaine County, Montana, at a location 100' FSL and 2300' FWL of said Section 8, with a 75-foot tolerance for topographic reasons; and designating such lands as an overlapping spacing unit to any other existing spacing units and applicable only to the specific geologic feature to be tested by the proposed well. Applicant requests placement on the Default Docket.

Docket No. 195-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an Eagle Formation gas test well in a 160-acre temporary spacing unit comprised of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 24, T35N-R17E, and the SW $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 19, T35N-R18E, Blaine County, Montana, at a location 2450' FNL and 300' FEL of said Section 24 with a 75-foot tolerance for topographic reasons, and designating such unit as an overlapping spacing unit to any other existing spacing units and applicable only to the specific geologic feature to be tested by the proposed well. Applicant requests placement on the Default Docket.

Docket No. 196-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an Eagle Formation gas test well in a 160-acre temporary spacing unit consisting of the E $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 13, T34N-R18E, and the W $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 18, T34N-R19E, Blaine County, Montana, at a location 1225' FSL and 200' FEL of said Section 13 with a 75-foot tolerance for topographic reasons; and designating such unit as an overlapping spacing unit to any other existing spacing units and applicable only to the specific geologic feature to be tested by the proposed well. Applicant requests placement on the Default Docket.

Docket No. 197-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to vacate Board Order 27-2002, insofar as said Order delineated the E $\frac{1}{2}$  of Section 20 and the W $\frac{1}{2}$  of Section 21, T34N-R19E, Blaine County, Montana, as a 640-acre temporary spacing unit for the drilling of a gas test well in the Eagle Formation, and to delineate the NE $\frac{1}{4}$  of Section 20, T34N-R19E, Blaine County, Montana, as a 160-acre temporary spacing unit for the drilling of an Eagle Formation gas test well 1850' FNL and 1325' FEL of said Section 20, with a 75-foot tolerance for topographic reasons. Applicant requests placement on the Default Docket.

Docket No. 198-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to delineate the S $\frac{1}{2}$  of Section 29 and the N $\frac{1}{2}$  of Section 32, T35N-R15E, Hill County, Montana, as a permanent spacing unit for the Eagle Formation and designating applicant's Rose Coulee 29-35-15 well as the authorized well for said spacing unit.

Docket No. 199-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an additional Eagle Formation gas well in the 640-acre spacing unit consisting of the S $\frac{1}{2}$  of Section 29 and the N $\frac{1}{2}$  of Section 32, T35N-R15E, Hill County, Montana, at a location not less than 990 feet from the exterior boundaries thereof.

Docket No. 200-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to delineate the W $\frac{1}{2}$  of Section 20, T34N-R19E, Blaine County, Montana, as a permanent spacing unit for the Eagle Formation and designating applicant's Seaman 20-34-19 well as the authorized well for said spacing unit.

Docket No. 201-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an additional Eagle Formation gas well in the 320-acre spacing unit consisting of the W $\frac{1}{2}$  of Section 20, T34N-R19E, Blaine County, Montana, at a location not less than 660 feet from the exterior boundaries thereof.

Docket No. 202-2005

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

Upon the application of **J. BURNS BROWN OPERATING COMPANY** to drill an additional Eagle Formation gas well in the 640-acre spacing unit consisting of the W $\frac{1}{2}$  of Section 16 and the E $\frac{1}{2}$  of Section 17, both in T35N-R18E, Blaine County, Montana, at a location 700' FNL and 1000' FEL of said Section 17, with a 75-foot tolerance for topographic reasons.

Docket No. 203-2005

**APPLICANT: FIDELITY EXPLORATION & PRODUCTION COMPANY – FALLON COUNTY, MONTANA**

Upon the application of **FIDELITY EXPLORATION & PRODUCTION COMPANY** to pool all interests in the permanent spacing unit consisting of Lots 3, 4, and 5, E $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 6, T7N-R60E, Fallon County, Montana, for the production of natural gas from the Eagle Sand Formation from applicant's Fidelity #2419 and #2421 wells.

Docket No. 204-2005

**APPLICANT: OMIMEX CANADA, LTD. – BLAINE COUNTY, MONTANA**

Upon the application of **OMIMEX CANADA, LTD.** to delineate Section 29, T35N-R21E, Blaine County, Montana, as a permanent spacing unit for its SE Battle 7–29A-35N-21E Eagle Formation natural gas well and to authorize the drilling of an additional Eagle Formation test well within said Section 29 as an exception to the Board's well location rule as set forth in Board Orders 62-93 and 43-2005.

Docket No. 205-2005

**APPLICANT: OMIMEX CANADA, LTD. – BLAINE COUNTY, MONTANA**

Upon the application of **OMIMEX CANADA, LTD.** to delineate Section 15, T35N-R20E, Blaine County, Montana, as a permanent spacing unit for its SE Battle 1-15-35N-20E Eagle Formation natural gas well and to authorize the drilling of an additional Eagle Formation test well within said Section 15.

Docket No. 206-2005

**APPLICANT: ATHENA ENERGY LLC – HILL COUNTY, MONTANA**

Upon the application of **ATHENA ENERGY LLC** to delineate the SE $\frac{1}{4}$  of Section 1 and the NE $\frac{1}{4}$  of Section 12, T36N-R9E and Lots 6 and 7, E $\frac{1}{2}$ SW $\frac{1}{4}$  (SW $\frac{1}{4}$ ) of Section 6 and Lots 1 and 2, E $\frac{1}{2}$ NW $\frac{1}{4}$  (NW $\frac{1}{4}$ ) of Section 7, T36N-R10E, all in Hill County, Montana, as a permanent spacing unit for production of natural gas from all zones, formations or horizons lying thereunder; and to authorize the drilling of a gas test well in the NW $\frac{1}{4}$  of said Section 7 at a location 125' FNL and 450' FWL as an exception to A.R.M. 36.22.702 and Board Order 62-93.

Docket No. 207-2005

**APPLICANT: ATHENA ENERGY LLC – HILL COUNTY, MONTANA**

Upon the application of **ATHENA ENERGY LLC** to delineate the following described lands in Hill County, Montana, as a permanent spacing unit for production of Blackleaf Formation natural gas from the Barker 11-7 well: the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 1 and the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12, T36N-R9E, and Lot 7 (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section 6 and Lot 1 (NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 7, T36N-R10E. Applicant further requests that the following described lands in Hill County, Montana, be designated as three separate temporary spacing units for all gas bearing zones, formations or horizons from the surface of the earth to the base of the Rierdon Formation: N $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 1, T36N-R9E; W $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 12, T36N-R9E; and Lot 2 (SW $\frac{1}{4}$ NW $\frac{1}{4}$ ), E $\frac{1}{2}$ NW $\frac{1}{4}$  of Section 7, T36N-R10E.

Docket No. 208-2005

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

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to delineate Section 29, T33N-R21E, Blaine County, Montana, as a permanent spacing unit for its ML&E SW Cherry Patch 6-29 Eagle Formation gas well and to drill and produce three additional Eagle Formation natural gas wells within said Section 29.

Docket No. 209-2005

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

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to delineate the W $\frac{1}{2}$  W $\frac{1}{2}$  of Section 27 and the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 28, T33N-R22E, Blaine County, Montana, as a temporary spacing unit for its proposed ML&E SE Cherry Patch 5-27 Eagle Formation gas test well.

Docket No. 210-2005

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

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to delineate the N $\frac{1}{2}$  of Section 2, T33N-R22E, Blaine County, Montana, as a temporary spacing unit for applicant's proposed ML&E SE Cherry Patch 3-2 Eagle Formation test well and to delineate the S $\frac{1}{2}$  of said Section 2 as a permanent spacing unit for applicant's existing ML&E SE Cherry Patch 11-2 Eagle Formation gas well.

Docket No. 211-2005

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

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to delineate the W $\frac{1}{2}$  of Section 29 and the E $\frac{1}{2}$  of Section 30, T34N-R22E, Blaine County, Montana, as a temporary spacing unit for its proposed ML&E NE Cherry Patch 4-29 Eagle Formation gas test well.

Docket No. 212-2005

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

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to delineate Section 28, T33N-R21E, Blaine County, Montana, as a permanent spacing unit for its ML&E et al SW Cherry Patch 10-28 Eagle Formation gas well and to authorize the drilling and producing of three additional Eagle Formation natural gas wells within and upon said Section 28.

Docket No. 213-2005

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

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to delineate the SW¼ of Section 22 and the NW¼ of Section 27, T33N-R21E, Blaine County, Montana, as a temporary spacing unit for its proposed ML&E SW Cherry Patch 3-27 Eagle Formation test well.

Docket No. 214-2005

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

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to delineate the S½ of Section 22, T34N-R20E, Blaine County, Montana, as a temporary spacing unit for its proposed ML&E NW Cherry Patch 15-22 Eagle Formation test well.

Docket No. 215-2005

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

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to drill and produce its proposed ML&E SE Cherry Patch 5-34 Eagle Formation test well in the SW¼NW¼ of Section 34, T33N-R22E, Blaine County, Montana, at a location approximately 455' FWL and 1425' FNL of said Section 34, as an exception to Board Orders 265-2004 and 62-93.

Docket No. 216-2005

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

Upon the application of **MONTANA LAND & EXPLORATION, INC.** to delineate the SE¼ of Section 10 and the SW¼ of Section 11, T34N-R20E, Blaine County, Montana, as a temporary spacing unit for its proposed ML&E NW Cherry Patch 13-11 Eagle Formation test well. Said well is approximately 370' FWL and 674' FSL of said Section 11 and is not in compliance with Board Order 62-93.

Docket No. 217-2005

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

Upon the application of **ENCORE OPERATING, L.P.** to certify that the following three wells are entitled to the appropriate severance tax reduction available to oil well horizontal re-entries through the Montana Department of Revenue: the CRL 44X-09CCH well (API # 25-025-21019), completed in March 2005; the SP 12-25AH well (API # 25-025-05613), also completed in March 2005; and the SP 31-9AH well (API # 25-109-21073), completed in April 2005. Applicant requests placement on the Default Docket.

Docket No. 218-2005

**APPLICANT: ENCORE OPERATING, L.P. – FALLON COUNTY, MONTANA**

Upon the application of **ENCORE OPERATING, L.P.** to delineate Section 19, T6N-R61E, Fallon County, Montana, as a 640-acre permanent spacing unit for the Siluro-Ordovician Formations, and to authorize the drilling of a horizontal well therein with the lateral to penetrate said formations no closer than 660 feet to the boundaries of the permanent spacing unit as an amendment to Board Order 21-62. (Lookout Butte Field)

Docket No. 219-2005

**APPLICANT: ENCORE OPERATING, L.P. – FALLON COUNTY, MONTANA**

Upon the application of **ENCORE OPERATING, L.P.** to drill and produce the Red River Formation from its Coral Creek Unit 42-14-CCH horizontal well with a surface location 730' FEL and 1755' FNL of Section 14, T6N-R60E, Fallon County, Montana, and a bottomhole location 1510' FWL and 100' FSL of said Section 14 as an exception to the requirement that unit wells be no closer than 660 feet to the exterior boundaries of the unit. (Lookout Butte Field)

Docket No. 220-2005

**APPLICANT: MCR, L.L.C. – TOOLE COUNTY, MONTANA**

Upon the application of **MCR, L.L.C.** to re-delineate the West Butte Oil and Gas Field to encompass all of Section 8, T36N-R2E, Toole County, Montana, and to establish that spacing units for production of natural gas from the Sawtooth and Madison Formations in said Section 8 will be 320-acres consisting of either the north half or south half of the section and that no well will be drilled closer than 330 feet to each spacing unit boundary, and to permit production from the Sawtooth and Madison Formations to be commingled.

Docket No. 221-2005

**APPLICANT: PETRO-HUNT LLC – RICHLAND COUNTY, MONTANA**

Upon the application of **PETRO-HUNT LLC** to delineate all of Sections 35 and 36, T23N-R56E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

Docket No. 222-2005

**APPLICANT: PETRO-HUNT LLC – RICHLAND COUNTY, MONTANA**

Upon the application of **PETRO-HUNT LLC** to drill an additional horizontal Bakken Formation well in the permanent spacing unit consisting of all of Sections 35 and 36, T23N-R56E, Richland County, Montana, said well to be drilled anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof.

Docket No. 223-2005

**APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY, L.P. – RICHLAND COUNTY, MONTANA**

Upon the application of **BURLINGTON RESOURCES OIL & GAS COMPANY, L.P.** to delineate all of Section 23, T25N-R52E, Richland County, Montana, as a field and permanent spacing unit for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 224-2005

**APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY, L.P. – RICHLAND COUNTY, MONTANA**

Upon the application of **BURLINGTON RESOURCES OIL & GAS COMPANY, L.P.** to delineate the W½ and SE¼ of Section 29, T24N-R54E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and to authorize applicant to produce its BR 14-29H well at a bottom hole location 639' FEL and 786' FSL of said Section 29.

Docket No. 225-2005

**APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY, L.P. – RICHLAND COUNTY, MONTANA**

Upon the application of **BURLINGTON RESOURCES OIL & GAS COMPANY, L.P.** to create a temporary spacing unit comprised of all of Sections 18 and 19, T25N-R52E, Richland County, Montana, and to allow a dual-lateral horizontal Bakken Formation well to be drilled anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 226-2005

**APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY, L.P. – RICHLAND COUNTY, MONTANA**

Upon the application of **BURLINGTON RESOURCES OIL & GAS COMPANY, L.P.** to create a temporary spacing unit consisting of all of Sections 11 and 14, T25N-R54E, Richland County, Montana, and to allow a dual-lateral horizontal Bakken formation well to be drilled at any location within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 227-2005

**APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY, L.P. – RICHLAND COUNTY, MONTANA**

Upon the application of **BURLINGTON RESOURCES OIL & GAS COMPANY, L.P.** to create a temporary spacing unit consisting of all of Sections 9 and 10, T25N-R54E, Richland County, Montana, and to allow a dual-lateral horizontal Bakken formation well to be drilled anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 228-2005

**APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY, L.P. – RICHLAND COUNTY, MONTANA**

Upon the application of **BURLINGTON RESOURCES OIL & GAS COMPANY, L.P.** to create a temporary spacing unit consisting of all of Sections 3 and 10, T25N-R52E, Richland County, Montana, and to allow a dual-lateral horizontal Bakken formation well to be drilled at any location within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 229-2005

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

Upon the application of **CAMWEST II, L.P.** to amend applicable spacing orders and create a permanent spacing unit for the Flat Lake Field consisting of the SW $\frac{1}{4}$  of Section 20, T37N-R58E, Sheridan County, Montana, and to allow a horizontal well to be drilled in the Ratcliffe Formation anywhere within said 160-acre spacing unit but not closer than 660 feet to the boundaries thereof; and to allow, at the option of the operator, the horizontal well to be completed as an additional vertical well in the existing spacing unit consisting of the SW $\frac{1}{4}$  of Section 20.

Docket No. 230-2005

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

Upon the application of **CAMWEST II, L.P.** to amend applicable spacing orders and create a permanent spacing unit for the Goose Lake Field consisting of the E $\frac{1}{2}$  of Section 17, T35N-R58E, Sheridan County, Montana, and to allow a horizontal well to be drilled in the Ratcliffe Formation anywhere within said 320-acre spacing unit but not closer than 660 feet to the boundaries thereof. Applicant also requests to maintain the existing 160-acre spacing units consisting of the NE $\frac{1}{4}$  and SE $\frac{1}{4}$  of Section 17 for existing vertical wells located thereon; and to allow, at the option of the operator, the horizontal well to be completed as an additional vertical well in the existing spacing unit consisting of the NE $\frac{1}{4}$  of Section 17.



Docket No. 231-2005

**APPLICANT: LYCO ENERGY CORPORATION – RICHLAND COUNTY, MONTANA**

Upon the application of **LYCO ENERGY CORPORATION** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Section 29, T24N-R57E, Richland County, Montana, anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 232-2005

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

Upon the application of **EOG RESOURCES, INC.** to delineate a field, establish field rules and create a permanent spacing unit comprised of all of Section 34, T26N-R53E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation.

Docket No. 233-2005

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

Upon the application of **EOG RESOURCES, INC.** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Section 23, T25N-R53E, Richland County, Montana, anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 234-2005

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

Upon the application of **EOG RESOURCES, INC.** to pool all interests in the spacing unit comprised of all of Sections 5 and 8, T25N-R53E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation. Applicant is not seeking recovery of non-consent penalties. Applicant requests placement on the Default Docket.

Docket No. 235-2005

**APPLICANT: CHAPARRAL ENERGY, LLC – RICHLAND COUNTY, MONTANA**

Upon the application of **CHAPARRAL ENERGY, LLC** to delineate all of Section 34, T25N-R55E, Richland County, Montana, as a field and permanent spacing unit for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 236-2005

**APPLICANT: CHAPARRAL ENERGY, LLC – RICHLAND COUNTY, MONTANA**

Upon the application of **CHAPARRAL ENERGY, LLC** to pool all interests in the spacing unit comprised of all of Section 34, T25N-R55E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation and authorizing recovery of non-consent penalties in accordance with Section 82-11-202 (2), M.C.A.

Docket No. 237-2005

**APPLICANT: WESTPORT OIL AND GAS COMPANY, L.P. – RICHLAND COUNTY, MONTANA**

Upon the application of **WESTPORT OIL AND GAS COMPANY, L.P.** to delineate all of Sections 22 and 27, T23N-R57E, Richland County, Montana, as a field and permanent spacing unit for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 238-2005

**APPLICANT: WESTPORT OIL AND GAS COMPANY, L.P. – RICHLAND COUNTY, MONTANA**

Upon the application of **WESTPORT OIL AND GAS COMPANY, L.P.** to pool all interests in the spacing unit comprised of all of Sections 22 and 27, T23N-R57E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken Formation, and authorizing recovery of non-consent penalties in accordance with Section 82-11-202 (2), M.C.A.

Docket No. 239-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to amend any previous orders of the Board and create a temporary spacing unit comprised of all of Sections 15 and 22, T26N-R54E, Richland County, Montana, for the drilling of one multi-lateral horizontal well in the Bakken Formation, said well to be located anywhere within said spacing unit but not less than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 240-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to delineate a field, establish field rules and create a permanent spacing unit comprised of all of Sections 28 and 33, T25N-R53E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 241-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to delineate a field, establish field rules and create a permanent spacing unit comprised of all of Sections 4 and 9, T23N-R54E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation.

Docket No. 242-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to delineate a field, establish field rules and create a permanent spacing unit comprised of all of Section 1, T23N-R55E and all of Section 36, T24N-R55E, both in Richland County, Montana, for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 243-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to delineate a field, establish field rules and create a permanent spacing unit comprised of all of Sections 1 and 12, T24N-R53E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 244-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to delineate a field, establish field rules and create a permanent spacing unit comprised of all of Sections 18 and 19, T25N-R55E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 245-2005

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

Upon 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, T25N-R55E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 246-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to delineate a field, establish field rules and create a permanent spacing unit comprised of all of Sections 17 and 20, T24N-R54E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 247-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to delineate a field, establish field rules and create a permanent spacing unit comprised of all of Sections 11 and 14, T23N-R54E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 248-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to delineate a field, establish field rules and create a permanent spacing unit comprised of all of Sections 9 and 16, T23N-R56E, Richland County, Montana, for the production of oil and associated natural gas from the Bakken Formation.

Docket No. 249-2005

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

Upon the application of **CONTINENTAL RESOURCES, INC.** to pool all interests in the permanent spacing unit comprised of all of Sections 9 and 16, T23N-R56E, Richland County, Montana, for the production of oil and associated natural gas from the Prevost #1-9H well completed and producing from the Bakken Formation and authorizing the recovery of risk penalties as provided by Section 82-11-202, M.C.A.

Docket No. 250-2005

**APPLICANT: CHESAPEAKE OPERATING, INC. – SHERIDAN COUNTY, MONTANA**

Upon the application of **CHESAPEAKE OPERATING, INC.** to designate the E½ of Section 30, T35N-R57E, Sheridan County, Montana, as a permanent spacing unit for production from the Nisku Formation, and authorizing applicant to commingle production of oil and associated natural gas from the Red River and Nisku Formations in the wellbore of the Parrott #1-30 well.

Docket No. 251-2005

**APPLICANT: PINNACLE GAS RESOURCES, INC. – BIG HORN COUNTY, MONTANA**

Upon the application of **PINNACLE GAS RESOURCES, INC.** to delineate the following described lands in Big Horn County, Montana, as a field for production of coal bed natural gas from all coal bed zones from the surface to the base of the Fort Union Formation, and to establish field rules providing for 80-acre spacing units with 220-foot setbacks, and to approve its Dietz Project Plan of Development for coal bed natural gas exploration and development upon said lands.

T8S-R41E

Section 23: E½

Section 24: SW¼

Section 25: E½NE¼, W½

Section 26: E½NE¼, SW¼

Section 27: SE¼

Section 34: W½

Section 35: S½

Section 36: All

T8S-R42E

Section 29: SW¼

Section 31: NW¼, SE¼

T9S-R42E

Section 6: Lots 1, 2, S½NE¼, W½SE¼

Section 8: W½

Docket No. 252-2005

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

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to drill an additional horizontal Bakken Formation well in the permanent spacing unit established by Board Order 76-2005 and comprised of Lots 1, 2, 3, 4, S½ N½, S½ (all) of Section 1, T22N-R57E and all of Section 36, T23N-R57E, both in Richland County, Montana, said well to be located anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 253-2005

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

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to create a temporary spacing unit comprised of all of Section 36, T25N-R55E, and Lots 1, 2, 3, 4, E½W½, E½ (all) of Section 31, T25N-R56E, both in Richland County, Montana, and to authorize the drilling of a horizontal Bakken formation well anywhere within said temporary spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket with automatic continuation in the event a protest or request for hearing is received.

Docket No. 254-2005

**APPLICANT: MONTANA BOARD OF OIL AND GAS CONSERVATION – LEWIS & CLARK COUNTY, \_\_\_\_\_**

**MONTANA**

Upon the motion of the **MONTANA BOARD OF OIL AND GAS CONSERVATION** to amend A.R.M. 36.22.1242 relating to privilege and license tax rates on oil and gas production. The Board proposes to reduce its assessment of privilege and license tax as authorized in Section 82-11-131, M.C.A., because the revenue distributed to the Board at the current assessment rate exceeds the amount needed to support Board operations. The Board proposes to reduce the rate from its current level of 2 and 6/10's of one percent to 1 and 8/10's of one percent effective July 1, 2005.

Docket No. 100-2005  
Continued from March 2005

**APPLICANT: BILL BARRETT CORPORATION – ROOSEVELT COUNTY, MONTANA**

Upon the application of **BILL BARRETT CORPORATION** to pool all interest in the permanent spacing unit consisting of the N½ and SW¼ of Section 33, T30N-R58E, Roosevelt County, Montana, and to impose the non-joinder penalties authorized pursuant to Section 82-11-202(2), MCA.

Docket No. 127-2005  
Continued from April 2005

**APPLICANT: ENCORE OPERATING, L.P. – FALLON COUNTY, MONTANA**

Upon the application of **ENCORE OPERATING, L.P.** to convert its 23-26H Red River well (API # 25-025-21898) in Section 26, T9N-R58E, Fallon County, Montana, to an injector into the Charles "B" and Mission Canyon Formations. The converted wellbore will be used to dispose of existing and anticipated future increased volumes of produced water generated by applicant's Monarch field operations. Staff notes this application is eligible for placement on the Default Docket.

Docket No. 165-2005  
Continued from April 2005

**APPLICANT: NANCE PETROLEUM CORPORATION – RICHLAND COUNTY, MONTANA**

Upon the application of **NANCE PETROLEUM CORPORATION** to delineate the W½ of Section 4 and the E½ of Section 5, T23N-R58E, Richland County, Montana, as a permanent spacing unit for the Bakken Formation and designating applicant's Johnson 15-5H well as the only authorized well for said spacing unit.

Docket No. 255-2005  
SHOW-CAUSE HEARING

**RESPONDENT: CLINE PRODUCTION CO. – ROSEBUD COUNTY, MONTANA**

Upon the Board's motion requiring **CLINE PRODUCTION CO.** to appear and show cause, if any it has, why its bond should not be forfeited for failure to plug or repair the Grebe #1 (aka SESTSU (Grebe) #1) water injection well in Sumatra Field in Rosebud County, Montana.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Terri Perrigo, Executive Secretary