

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 its regular business meeting at 2:00 p.m., Wednesday, June 14, 2006, in the conference room of the Billings Petroleum Club on the 22<sup>nd</sup> floor of the Billings Sheraton in Billings, Montana. The agenda for that meeting is:

1. Call to order
2. Approval of minutes of May 3, 2006 business meeting
3. Opportunity for public comment
4. Bond report
5. Financial report
6. TOI Operating
7. Default docket
8. 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 15, 2006 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. 224-2006

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

Upon the application of **Nance Petroleum Corporation** to create a 640-acre permanent spacing unit for the Ratcliffe Formation comprised of the S $\frac{1}{2}$  of Section 25 and the N $\frac{1}{2}$  of Section 36, T28N-R58E, Roosevelt County, Montana, and to designate applicant's Bainville State 36-1HR well as the authorized well for said spacing unit.

Docket No. 225-2006

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

Upon the application of **Nance Petroleum Corporation** to delineate the NE $\frac{1}{4}$  of Section 35 and the NW $\frac{1}{4}$  of Section 36, T34N-R58E, Sheridan County, Montana, as a 320-acre permanent spacing unit for the Mission Canyon Formation and to designate applicant's Cova 1HR well as the authorized well for said spacing unit.

Docket No. 226-2006

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

Upon the application of **Encore Operating, L.P.** to convert the shut-in South Pine 32X-26A well (API # 25-025-22552) located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 26, T11N-R57E, Fallon County, Montana, to a Mission Canyon Formation salt water disposal well to dispose of produced water from applicant's Pine Field operations. This application is eligible for placement on the Default Docket. (Pine Field)

Docket No. 227-2006

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

Upon the application of **Encore Operating, L.P.** to convert the temporarily abandoned Coral Creek 42-03 water injection well (API # 25-025-05160) located in the SE¼NE¼ of Section 3, T6N-R60E, Fallon County, Montana, to a salt water disposal well to inject produced fluids from Lookout Butte Field into the Mission Canyon Formation. This application is eligible for placement on the Default Docket. (Lookout Butte Field)

Docket No. 228-2006

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

Upon the application of **Encore Operating, L.P.** to complete the South Pine 13-23A well (API # 25-109-21175) located in the NW¼ SW¼ of Section 23, T11N-R57E, Wibaux County, Montana, as a Mission Canyon Formation salt water disposal well to inject produced water from applicant's South Pine Field operations. The South Pine 13-23A well was permitted as a water source well in the Mission Canyon Formation but has not yet been drilled. This application is eligible for placement on the Default Docket. (Pine Field)

Docket No. 229-2006

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

Upon the application of **Encore Operating, L.P.** to complete the South Pine 14X-03A well (API # 25-109-21171) located in the SW¼SW¼ of Section 3, T11N-R57E, Wibaux County, Montana, as a Mission Canyon Formation salt water disposal well to inject produced water from applicant's Pine Field operations. The South Pine 14X-03A well was permitted as a waterflood source well in the Mission Canyon Formation but has not yet been drilled. This application is eligible for placement on the Default Docket. (Pine Field)

Docket No. 230-2006

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

Upon the application of **Encore Operating, L.P.** to complete the South Pine 32X-05A well (API # 25-109-21176) located in the SW¼NE¼ of Section 5, T11N-R57E, Wibaux County, Montana, as a Mission Canyon Formation salt water disposal well to inject produced water from applicant's Pine Field operations. The South Pine 32X-05A well was permitted as a waterflood source well in the Mission Canyon Formation but has not yet been drilled. This application is eligible for placement on the Default Docket. (Pine Field)

Docket No. 231-2006

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

Upon the application of **Encore Operating, L.P.** to drill a horizontal Red River Formation oil test well in a 120-acre temporary spacing unit consisting of the N½SE¼, SE¼SE¼ of Section 27, T14N-R55E, Dawson County, Montana, and to authorize said well to be located anywhere within said temporary spacing unit but not less than 500 feet from the exterior boundaries thereof. (Gas City Field) Applicant requests placement on the Default Docket.

Docket No. 232-2006

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

Upon the application of **J. Burns Brown Operating Company** to create a temporary spacing unit comprised of the S½SE¼ of Section 18 and the N½NE¼ of Section 19, T34N-R19E, Blaine County, Montana, to drill an Eagle Formation well at a location 400' FSL and 1250' FEL of said Section 18, with a 100-foot tolerance for topographic reasons. Applicant requests placement on the Default Docket.

Docket No. 233-2006

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

Upon the application of **J. Burns Brown Operating Company** to drill an additional Eagle Formation well in the permanent spacing unit comprised of Section 28, T34N-R14E, Hill County, Montana, said well to be located anywhere in said Section 28 but not closer than 990 feet to the exterior boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 234-2006

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

Upon the application of **J. Burns Brown Operating Company** to drill an additional Eagle Formation well in the permanent spacing unit comprised of Section 13, T34N-R18E, Blaine County, Montana, said well to be located anywhere in said Section 13 but not closer than 990 feet to the exterior boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 235-2006

**APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA**

Upon the application of **Enerplus Resources (USA) Corporation** to delineate a field, establish field rules and create a permanent spacing unit comprised of Sections 30 and 31, T23N-R58E, Richland County, Montana, for production of oil and associated gas from the Bakken Formation.

Docket No. 236-2006

**APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA**

Upon the application of **Enerplus Resources (USA) Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Section 30, T24N-R57E, Richland County, Montana, said well to be located anywhere within the spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 237-2006

**APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA**

Upon the application of **Enerplus Resources (USA) Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Section 24, T24N-R55E, Richland County, Montana, said well to be located anywhere within the spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 238-2006

**APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA**

Upon the application of **Enerplus Resources (USA) Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of Lots 1, 2, 3, 4, S $\frac{1}{2}$ S $\frac{1}{2}$  (all) of Section 3 and all of Section 10, T24N-R55E, Richland County, Montana, said well to be located anywhere within said permanent spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 239-2006

**APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA**

Upon the application of **Enerplus Resources (USA) Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of Sections 16 and 21, T24N-R57E, Richland County, Montana, said well to be located anywhere within said permanent spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 240-2006

**APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA**

Upon the application of **Enerplus Resources (USA) Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of Sections 30 and 31, T23N-R58E, Richland County, Montana, said well to be located anywhere within said permanent spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 241-2006

**APPLICANT: SLAWSON EXPLORATION COMPANY, INC. – RICHLAND COUNTY, MONTANA**

Upon the application of **Slawson Exploration Company, Inc.** to create a field and permanent spacing unit comprised of all of Section 36, T24N-R53E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation.

Docket No. 242-2006

**APPLICANT: SLAWSON EXPLORATION COMPANY, INC. – RICHLAND COUNTY, MONTANA**

Upon the application of **Slawson Exploration Company, Inc.** to create a field and permanent spacing unit comprised of all of Section 28, T24N-R53E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation.

Docket No. 243-2006

**APPLICANT: SLAWSON EXPLORATION COMPANY, INC. – RICHLAND COUNTY, MONTANA**

Upon the application of **Slawson Exploration Company, Inc.** to create a field and permanent spacing unit comprised of all of Section 22, T25N-R52E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation.

Docket No. 244-2006

**APPLICANT: SLAWSON EXPLORATION COMPANY, INC. – RICHLAND COUNTY, MONTANA**

Upon the application of **Slawson Exploration Company, Inc.** to pool all interests in the spacing unit comprised of all of Section 22, T25N-R52E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation and to authorize recovery of non-consent penalties in accordance with Section 82-11-202 (2), M.C.A.

Docket No. 245-2006

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

Upon the application of **Stone Energy Corporation** to create a temporary spacing unit comprised of Lots 1, 2, 3, 4, 5, 6, S½NW¼, SW¼ (all) of Section 5 and Lots 1, 2, 3, 4, S½N½, S½ (all) of Section 6, T21N-R60E, Richland County, Montana, and to drill 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.

Docket No. 246-2006

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

Upon the application of **Stone Energy Corporation** to create a field and permanent spacing unit comprised of all of Section 27, T23N-R58E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation.

Docket No. 247-2006

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

Upon the application of **Stone Energy Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Section 27, T23N-R58E, Richland County, Montana, said well to be located anywhere within said permanent spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 248-2006

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

Upon the application of **Stone Energy Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Section 11, T22N-R57E, Richland County, Montana, said well to be located anywhere within said permanent spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket No. 249-2006 and 9-2006 FED

**APPLICANT: EAST FORT PECK EXPLORATION, LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **East Fort Peck Exploration, LLC** to create a temporary spacing unit comprised of all of Sections 14 and 23, T31N-R54E, Roosevelt County, Montana, and to drill 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.

Docket No. 250-2006 and 10-2006 FED

**APPLICANT: EAST FORT PECK EXPLORATION, LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **East Fort Peck Exploration, LLC** to create a temporary spacing unit comprised of all of Sections 15 and 22, T28N-R54E, Roosevelt County, Montana, and to drill 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.

Docket No. 251-2006 and 11-2006 FED

**APPLICANT: EAST FORT PECK EXPLORATION, LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **East Fort Peck Exploration, LLC** to create a temporary spacing unit comprised of all of Sections 16 and 21, T28N-R54E, Roosevelt County, Montana, and to drill 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.

Docket No. 252-2006 and 12-2006 FED

**APPLICANT: EAST FORT PECK EXPLORATION, LLC – ROOSEVELT COUNTY, MONTANA**

Upon the application of **East Fort Peck Exploration, LLC** to create a temporary spacing unit comprised of all of Sections 17 and 20, T28N-R54E, Roosevelt County, Montana, and to drill 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.

Docket No. 253-2006

**APPLICANT: CLINE PRODUCTION COMPANY – MUSSELSHELL COUNTY, MONTANA**

Upon the application of **Cline Production Company** to convert the Petaja #1 well (API # 25-065-05392) located in the SW¼SW¼ of Section 14, T11N-R24E, Musselshell County, Montana, to a water disposal well in the Heath Formation. Injected fluids will be produced water from the Petaja #2 and Petaja #3 wells. An aquifer exemption is not necessary since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids. This application is eligible for placement on the Default Docket.

Docket No. 254-2006

**APPLICANT: CLINE PRODUCTION COMPANY – ROSEBUD COUNTY, MONTANA**

Upon the application of **Cline Production Company** for a Class II injection permit for the Ottman #2 well (API # 25-087-05168) located in the SW NE of Section 25, T11N-R32E, Rosebud County, Montana, to inject produced water from the SE Sumatra Unit and a Madison supply well into the Tyler Formation at a depth of 4818 to 4846 feet. An aquifer exemption is not necessary since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids. This application is eligible for placement on the Default Docket.

Docket No. 255-2006

**APPLICANT: HELIS OIL & GAS COMPANY, L.L.C. - VALLEY COUNTY, MONTANA**

Upon the application of **Helis Oil & Gas Company, L.L.C.** to create a temporary spacing unit for production of oil from all formations to a depth of 6300 feet comprised of the SE¼ of Section 16, T30N-R45E, Valley County, Montana, to drill a test well (the Dahl #9-16) at a location anywhere within said temporary spacing unit but not closer than 660 feet to the boundaries thereof as an exception to A.R.M. 36.22.702. Applicant requests placement on the Default Docket.

Docket No. 256-2006

**APPLICANT: KLABZUBA OIL & GAS, INC. - LIBERTY COUNTY, MONTANA**

Upon the application of **Klabzuba Oil & Gas, Inc.** to drill an additional gas well to test all zones and formations from the surface of the earth down to the base of the Spikes Zones within the temporary spacing unit comprised of all of Section 17, T36N-R7E, Liberty County, Montana, said well to be located anywhere within the temporary spacing unit but not closer than 990 feet to the boundaries thereof. Applicant requests placement on the Default Docket with automatic continuance in the event of a protest or request for hearing.

Docket No. 257-2006

**APPLICANT: KLABZUBA OIL & GAS, INC. - LIBERTY COUNTY, MONTANA**

Upon the application of **Klabzuba Oil & Gas, Inc.** to drill an additional gas well to test all zones and formations from the surface of the earth down to the base of the Spikes Zones within the permanent spacing unit comprised of all of Section 14, T37N-R6E, in Sage Creek Field in Liberty County, Montana, said well to be located anywhere within the permanent spacing unit but not closer than 990 feet to the boundaries thereof as an exception to Board Order 38-77. Applicant requests placement on the Default Docket with automatic continuance in the event of a protest or request for hearing.

Docket No. 258-2006

**APPLICANT: KLABZUBA OIL & GAS, INC. - LIBERTY COUNTY, MONTANA**

Upon the application of **Klabzuba Oil & Gas, Inc.** to drill an additional gas well to test all zones and formations from the surface of the earth down to the base of the Spikes Zones within the permanent spacing unit comprised of all of Section 9, T37N-R6E, in Sage Creek Field in Liberty County, Montana, said well to be located anywhere within the permanent spacing unit but not closer than 990 feet to the boundaries thereof as an exception to Board Order 38-77. Applicant requests placement on the Default Docket with automatic continuance in the event of a protest or request for hearing.

Docket No. 259-2006 and 13-2006 FED

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

Upon the application of **Klabzuba Oil & Gas, Inc.** to drill three additional Eagle Sand Formation gas wells at locations anywhere within the permanent spacing unit comprised of the NE¼ of Section 24, T30N-R15E, Hill County, Montana, said wells to be located anywhere within the spacing unit but not closer than 330 feet to the boundaries thereof as an exception to Board Orders 10-70, 9-90, 1-90 FED, 3-90 FED and 1-93 FED. Applicant requests placement on the Default Docket with automatic continuance in the event of a protest or request for hearing.

Docket No. 260-2006

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

Upon the application of **Klabzuba Oil & Gas, Inc.** to drill an additional Niobrara Formation gas well within the temporary spacing unit comprised of all of Section 2, T36N-R15E, Hill County, Montana, anywhere within said temporary spacing unit but not closer than 990 feet to the boundaries thereof as an exception to A.R.M. 36.22.702. Applicant requests placement on the Default Docket with automatic continuance in the event of a protest or request for hearing.

Docket No. 261-2006

**APPLICANT: KLABZUBA OIL & GAS, INC. - LIBERTY COUNTY, MONTANA**

Upon the application of **Klabzuba Oil & Gas, Inc.** to drill an additional gas well to test all zones and formations from the surface of the earth down to the base of the Spikes Zones within the temporary spacing unit comprised of all of Section 10, T36N-R6E, Liberty County, Montana, said well to be located anywhere within the temporary spacing unit but not closer than 990 feet to the boundaries thereof. Applicant requests placement on the Default Docket with automatic continuance in the event of a protest or request for hearing.

Docket No. 262-2006

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

Upon the application of **Montana Land & Exploration, Inc.** to create a permanent spacing unit comprised of all of Section 2, T33N-R21E, Blaine County, Montana, and to designate its ML&E SW Cherry Patch 7-2 Eagle Formation natural gas well as the authorized well for said spacing unit. Applicant intends to enter evidence in support of this application through affidavit and requests that any protest(s) to the application be filed with the Board at least five (5) days prior to the hearing date.

Docket No. 263-2006

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

Upon the application of **Montana Land & Exploration, Inc.** to pool all interests in the permanent spacing unit comprised of Section 2, T33N-R21E, Blaine County, Montana, for production of natural gas from the Eagle Formation. Applicant requests placement on the Default Docket.

Docket No. 264-2006

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

Upon the application of **Montana Land & Exploration, Inc.** to create a 640-acre permanent spacing unit comprised of all of Section 10, T33N-R21E, Blaine County, Montana, and to designate its ML&E SW Cherry Patch 13-10 Eagle Formation natural gas well as the authorized well for said spacing unit. Applicant intends to enter evidence in support of this application through affidavit and requests that any protest(s) to the application be filed with the Board at least five (5) days prior to the hearing date.

Docket No. 265-2006

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

Upon the application of **Montana Land & Exploration, Inc.** to create a permanent spacing unit comprised of all of Section 33, T33N-R21E, Blaine County, Montana, and to designate its ML&E SW Cherry Patch 4-33 Eagle Formation natural gas well as the authorized well for said spacing unit. Applicant intends to enter evidence in support of this application through affidavit and requests that any protest(s) to the application be filed with the Board at least five (5) days prior to the hearing date.

Docket No. 266-2006

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

Upon the application of **Montana Land & Exploration, Inc.** to pool all interests in the permanent spacing unit comprised of all of Section 33, T33N-R21E, Blaine County, Montana, for production of natural gas from the Eagle Formation and to authorize recovery of non-consent penalties as set forth in Section 82-11-202 (2), M.C.A.

Docket No. 267-2006

**APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - BLAINE COUNTY, MONTANA**

Upon the application of **Devon Energy Production Company, L.P.** to create a permanent spacing unit comprised of the W<sup>1</sup>/<sub>2</sub> of Section 2 and the E<sup>1</sup>/<sub>2</sub> of Section 3, T25N-R18E, Blaine County, Montana, for production of gas from the Eagle Formation through the wellbore of the US DIR #02-05-25-18 well.

Docket No. 268-2006



**APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - BLAINE COUNTY, MONTANA**

Upon the application of **Devon Energy Production Company, L.P.** to create a permanent spacing unit comprised of the E½ of Section 20, T25N-R18E, Blaine County, Montana, for production of gas from the Eagle Formation through the wellbore of the US DIR #20-08-25-18 well.

Docket No. 269-2006

**APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - BLAINE COUNTY, MONTANA**

Upon the application of **Devon Energy Production Company, L.P.** to create a permanent spacing unit comprised of the S½ of Section 27, T25N-R18E, Blaine County, Montana, for production of gas from the Eagle Formation through the wellbore of the US DIR #27-14-25-18 well.

Docket No. 270-2006

**APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - BLAINE COUNTY, MONTANA**

Upon the application of **Devon Energy Production Company, L.P.** to create a permanent spacing unit comprised of the NW¼ of Section 27 and the NE¼ of Section 28, T25N-R18E, Blaine County, Montana, for production of gas from the Eagle Formation through the wellbore of the US DIR #28-01-25-18 well.

Docket No. 271-2006

**APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - BLAINE COUNTY, MONTANA**

Upon the application of **Devon Energy Production Company, L.P.** to create a permanent spacing unit comprised of the S½ of Section 28 and the N½ of Section 33, T25N-R18E, Blaine County, Montana, for production of gas from the Eagle Formation through the wellbore of the US DIR #28-14-25-18 well.

Docket No. 272-2006

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

Upon the protest of the Northern Cheyenne Tribe to the application of **Fidelity Exploration & Production Company** for a permit to drill an exploratory well (the State 23EK-1680) to the King coal bed at a location 2206' FSL and 1980' FWL of Section 16, T8S-R40E, Big Horn County, Montana.

Docket No. 273-2006

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

Upon the protest of the Northern Cheyenne Tribe to the application of **Fidelity Exploration & Production Company** for a permit to drill an exploratory well (the State 23ER-1680) to the Roberts coal bed at a location 2228' FSL and 1939' FWL of Section 16, T8S-R40E, Big Horn County, Montana.

Docket No. 274-2006

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

Upon the application of **Fidelity Exploration & Production Company** to add the following described lands to the Cedar Creek Gas field in Fallon County, Montana: the NE¼ of Section 2 and the W½SW¼, SW¼NW¼ of Section 15 in T9N-R58E; and the W½ of Section 34, T10N-R58E.

Docket No. 275-2006

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

Upon the application of **Fidelity Exploration & Production Company** to amend the Cedar Creek Gas Field rules established by Board Orders 1-61 and 4-97 to allow up to ten (10) Eagle Sand Formation natural gas wells in each 320-acre permanent spacing unit within the following described lands in Fallon County, Montana, said wells to be located anywhere within each spacing unit but not less than 660 feet from the boundaries thereof with a 460-foot topographic tolerance:

**T6N-R60E**

Section 22: E½

Section 23: All

**T9N-R58E**

Section 2: All

Section 3: All

Section 10: All

Section 11: All

Section 14: All

Section 15: All

**T9N-R59E**

Section 30: All

**T10N-R57E**

Section 1: E½

**T10N-R58E**

Section 6: All

Section 7: All

Section 8: All

Section 16: All

Section 17: All

Section 18: E½

Section 20: All

Section 21: All

Section 27: W½

Section 28: All

Section 29: E½

Section 33: All

Section 34: All

**T11N-R57E**

Section 36: All

**T11N-R58E**

Section 31: W½

Docket No. 276-2006

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

Upon the application of **Fidelity Exploration & Production Company** to amend its Badger Hill Project Plan of Development established in Board Order 99-2003 as follows in regard to the following described lands within CX Field in Big Horn County, Montana:

**T9S-R40E**

Section 21: S½

Section 22: S½

Section 25: All

Section 26: All

Section 27: All

Section 28: All

Section 33: Lots 1, 2, 3, & 4, N½S½, N½ (All)

Section 34: Lots 1, 2, 3, & 4, N½S½, N½ (All)

Section 35: Lots 1, 2, 3, & 4, N½S½, N½ (All)

Section 36: Lots 1, 2, 3, & 4, N½S½, N½ (All)

**T9S-R41E**

Section 30: Lots 5, 6, 7 & 8, E½W½, E½ (All)

Section 31: Lots 8, 9, 10, 11, 12, 13 & 14, NE¼, E½NW¼, NE¼SW¼, N½SE¼ (All)

Applicant requests that Sections 21, 22, 27, 28, 33 and 34 set forth above be added to the Badger Hills Project Plan of Development. Applicant also requests that the Badger Hills Project Plan of Development be amended from its original pattern of one (1) well per coal bed for each 160-acre governmental quarter section spacing unit to two (2) wells per coal bed for each spacing unit on the above-described lands except for Sections 26, 34, 35 and 36. Applicant further requests that, in regard to Sections 26 and 35 described above, the Badger Hills Project Plan of Development be amended from an original pattern of four (4) wells per coal bed for each section to eight (8) wells per coal bed per section. Applicant finally requests that, in regard to Sections 34 and 36 described above, the Badger Hills Project Plan of Development be amended to allow up to three (3) wells per coal bed for each 160-acre governmental quarter section spacing unit within each section. Applicant will file an amended Badger Hills Project Plan of Development to Board staff prior to hearing.

Docket No. 277-2006

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

Upon the application of **Fidelity Exploration & Production Company** for an exception to the CX Field well location and well density rules established in Board Orders 108-97, 174-2000, 100-2003 and 6-2004 to drill and produce the following coal bed natural gas wells at the following locations in Big Horn County, Montana:

**Section 27, T9S-R40E**

24D1/2-2790 – 176' FSL and 1681' FWL

24D3-2790 – 217' FSL and 1705' FWL

33D3-2790 – 1559' FSL and 2461' FEL

33M-2790 – 1566' FSL and 2511' FEL

33C/W-2790 – 1573' FSL and 2560' FEL

**Section 34, T9S-R40E**

41SM/D1-3490 – 1158' FNL and 55' FEL

41D2-3490 – 1107' FNL and 54' FEL

41D3-3490 – 1058' FNL and 53' FEL

41M-3490 – 1010' FNL and 52' FEL

41C/W-3490 – 960' FNL and 51' FEL

43SM/D1-3490 – 1622' FSL and 103' FEL

43D2-3490 – 1647' FSL and 149' FEL

43D3-3490 – 1672' FSL and 194' FEL

Applicant requests placement on the Default Docket.

Docket No. 278-2006

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

Upon the application of **Continental Resources, Inc.** to create a permanent spacing unit for the Bakken Formation comprised of all of Sections 1 and 12, T24N-R52E, Richland County, Montana, and to designate its Babka #1-12H well as the authorized well for said spacing unit.

Docket No. 279-2006

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

Upon the application of **Continental Resources, Inc.** to create a permanent spacing unit for the Bakken Formation comprised of all of Sections 33 and 34, T23N-R56E, Richland County, Montana, and to designate its Marlys #1-34H well as the authorized well for said spacing unit.

Docket No. 280-2006

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

Upon the application of **Continental Resources, Inc.** to drill an additional Bakken Formation dual lateral horizontal well in the permanent spacing unit comprised of all of Sections 33 and 34, T23N-R56E, Richland County, Montana, with said laterals to be located no closer than 660 feet to the exterior boundaries of said spacing unit. Applicant requests placement on the Default Docket.

Docket No. 281-2006

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

Upon the application of **Continental Resources, Inc.** to create a permanent spacing unit for the Bakken Formation comprised of all of Sections 9 and 16, T23N-R55E, Richland County, Montana, and to designate its Swenseid #1-9H well as the authorized well for said spacing unit.

Docket No. 282-2006

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

Upon the application of **Continental Resources, Inc.** to drill an additional Bakken Formation dual lateral horizontal well in the permanent spacing unit comprised of all of Sections 9 and 16, T23N-R55E, Richland County, Montana, with said laterals to be located no closer than 660 feet to the exterior boundaries of said spacing unit. Applicant requests placement on the Default Docket.

Docket No. 283-2006

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

Upon the application of **Continental Resources, Inc.** to create a permanent spacing unit for the Bakken Formation comprised of all of Sections 22 and 27, T23N-R55E, Richland County, Montana, and to designate its Lucille #1-27H well as the authorized well for said spacing unit.

Docket No. 284-2006

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

Upon the application of **Continental Resources, Inc.** to drill an additional Bakken Formation dual lateral horizontal well in the permanent spacing unit comprised of all of Sections 22 and 27, T23N-R55E, Richland County, Montana, with said laterals to be located no closer than 660 feet to the exterior boundaries of said spacing unit. Applicant requests placement on the Default Docket.

Docket No. 285-2006

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

Upon the application of **Continental Resources, Inc.** to create a permanent spacing unit for the Bakken Formation comprised of all of Section 4, T23N-R55E and all of Section 33, T24N-R55E, Richland County, Montana, and to designate its Dorothy #1-4H well as the authorized well for said spacing unit.

Docket No. 286-2006

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

Upon the application of **Continental Resources, Inc.** to pool all interests in the spacing unit comprised of all of Section 4, T23N-R55E and all of Section 33, T24N-R55E, Richland County, Montana, on the basis of surface acreage for production from the Bakken Formation from the Dorothy #1-4H well and to authorize recovery of non-joinder penalties in accordance with Section 82-11-202 (2), M.C.A.

Docket No. 287-2006

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

Upon the application of **Continental Resources, Inc.** to drill an additional Bakken Formation dual lateral horizontal well in the permanent spacing unit comprised of all of Section 4, T23N-R55E and all of Section 33, T24N-R55E, Richland County, Montana, with said laterals to be located no closer than 660 feet to the exterior boundaries of said spacing unit. Applicant requests placement on the Default Docket.

Docket No. 288-2006

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

Upon the application of **Continental Resources, Inc.** to create a permanent spacing unit for the Bakken Formation comprised of all of Sections 21 and 28, T25N-R55E, Richland County, Montana, and to designate its Barbara #1-21H well as the authorized well for said spacing unit.

Docket No. 289-2006

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

Upon the application of **Continental Resources, Inc.** to pool all interests in the spacing unit comprised of all of Sections 21 and 28, T25N-R55E, Richland County, Montana, on the basis of surface acreage for production from the Bakken Formation from the Barbara #1-21H well and to authorize recovery of non-joinder penalties in accordance with Section 82-11-202 (2), M.C.A.

Docket No. 290-2006

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

Upon the application of **Continental Resources, Inc.** to drill an additional Bakken Formation dual lateral horizontal well in the permanent spacing unit comprised of all of Sections 21 and 28, T25N-R55E, Richland County, Montana, with said laterals to be located no closer than 660 feet to the exterior boundaries of said spacing unit. Applicant requests placement on the Default Docket.

Docket No. 592-2005  
Continued from December 2005

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

Upon the application of **OMIMEX CANADA, LTD.** for an order directing General Well Service, Inc. to appear before the Board of Oil and Gas Conservation and verify that its Stufft 1-19 well, located in the E $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 19, T36N-R5W, in the Cut Bank Field in Glacier County, Montana, is producing natural gas from the Bow Island Formation.

Docket No. 94-2006  
Continued from March 2006

**APPLICANT: MISSOURI BASIN WELL SERVICE, INC. – RICHLAND COUNTY, MONTANA**

Upon the application of **Missouri Basin Well Service, Inc.** to create a temporary spacing unit comprised of all of Section 34, T24N-R58E and all of Section 3, T23N-R58E, Richland County, Montana, for the drilling of a horizontal Bakken Formation well thereon at any location not closer than 660 feet to the boundaries of said temporary spacing unit. Applicant requests placement on the Default Docket.

Docket No. 95-2006  
Continued from March 2006

**APPLICANT: MISSOURI BASIN WELL SERVICE, INC. – RICHLAND COUNTY, MONTANA**

Upon the application of **Missouri Basin Well Service, Inc.** to create a temporary spacing unit comprised of all of Section 35, T24N-R58E, and all of Section 2, T23N-R58E, Richland County, Montana, to drill a horizontal Bakken Formation well thereon at any location not closer than 660 feet to the boundaries of said temporary spacing unit. Applicant requests placement on the Default Docket.

Docket No. 206-2006  
Continued from May 2006

**APPLICANT: ECA HOLDINGS, L.P. – STILLWATER COUNTY, MONTANA**

Upon the application of **ECA Holdings, L.P.** to pool all interests in the permanent spacing unit comprised of the W $\frac{1}{2}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$  and SE $\frac{1}{4}$  of Section 18 and the NE $\frac{1}{4}$ NW $\frac{1}{4}$  and N $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 19, T5S-R17E, Stillwater County, Montana, for production of Greybull Formation gas from the Orr #1 gas well located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 18, and to authorize recovery of non-consent penalties in accordance with Section 82-11-202(2), MCA.

Docket No. 207-2006

Continued from May 2006

**APPLICANT: ECA HOLDINGS, L.P. – STILLWATER COUNTY, MONTANA**

Upon the application of **ECA Holdings, L.P.** to pool all interests in the permanent spacing unit comprised of the W $\frac{1}{2}$ SW $\frac{1}{4}$  and SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 17 and the NW $\frac{1}{4}$  and W $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 20, T5S-R17E, Stillwater County, Montana, for production of Greybull Formation gas from the Orr #2 gas well located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of said Section 17, and to authorize recovery of non-consent penalties in accordance with Section 82-11-202(2), MCA.

Docket No. 216-2006  
Continued from May 2006

**APPLICANT: FLYING J OIL & GAS INC. – SHERIDAN COUNTY, MONTANA**

Upon the application of **Flying J Oil & Gas Inc.** to create a 320-acre temporary spacing unit comprised of the S $\frac{1}{2}$ S $\frac{1}{2}$  of Section 13 and the N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 24, T36N-R52E, Sheridan County, Montana, to drill a horizontal Winnipegosis Formation test well, said well to be located anywhere within said temporary spacing unit but not less than 660 feet to the boundaries thereof, as an exception to Board Order 19A-1959 and A.R.M. 36.22.703.

Docket No 223-2006  
SHOW-CAUSE HEARING  
Continued from May 2006

**RESPONDENT: MOUNTAIN PACIFIC GENERAL, INC. – CHOUTEAU, GOLDEN VALLEY, HILL, PONDERA, STILLWATER, SWEETGRASS, TOOLE COUNTIES, MONTANA**

Upon the Board's own motion requiring **Mountain Pacific General, Inc.** to appear and show cause, if any it has, why it should not be required to immediately plug the State 2-16 well in the W $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 16, T2N-R20E, Stillwater County, Montana, (API # 25-095-21085) as per the request of the Trust Land Management Division of the Montana Department of Natural Resources and Conservation; and why it should not immediately provide a plugging plan for other wells which have been shut-in for more than one year, in violation of A.R.M. 36.22.1303.

Docket No. 291-2006  
SHOW-CAUSE HEARING

**RESPONDENT: TOI OPERATING – FALLON, RICHLAND AND WIBAUX COUNTIES, MONTANA**

Upon the Board's own motion to require **TOI Operating (TOI)** to appear and show cause, if any it has, why its wells in Fallon, Richland and Wibaux counties (including two wells operated by TOI but bonded by Black Hawk Resources) should not be shut-in and why other penalties should not be applied for failure to maintain surface equipment and locations in a satisfactory manner.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Terri H. Perrigo  
Executive Secretary

