

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
MINUTES OF THE
BOARD OF OIL AND GAS CONSERVATION MEETING

CALL TO ORDER

The regular business meeting of the Montana Board of Oil and Gas Conservation was called to order by Chairman Linda Nelson at 2:00 p.m., Wednesday, June 13, 2007, in the conference room of the Petroleum Club on the 22nd floor of the Crowne Plaza Billings in Billings, Montana. Board members present were Chairman Linda Nelson, Vice-Chairman Wayne Smith, Don Bradshaw, Ronald S. Efta, Jack King, Bret Smelser and Joan Stahl. Staff present were Jim Halvorson, George Hudak, Terri Perrigo, Norman Clyde Peterson, Tom Richmond and Steve Sasaki.

APPROVAL OF MINUTES

MOTION: Mr. Smelser made a motion to approve the minutes of the April 11, 2007 business meeting. The motion was seconded by Mr. Bradshaw and passed unanimously.

OPPORTUNITY FOR PUBLIC COMMENT

Board members Don Bradshaw and Bret Smelser will not be present at the July Board meetings.

Chairman Nelson questioned the need to continue sending paper copies of Board Orders with the mail out sent prior to each Board hearing since all Orders are available on the internet through the Board's website. It was decided Board Orders will not be sent out with the mail out any longer and Ms. Perrigo will put a notice with the next mail out saying they can be found on the internet.

Mr. Trent Sizemore of Lonewolf Energy, Inc. provided additional information on the hearing in April 2007 for a MT Land & Exploration, Inc. application which was protested by mineral owner Mr. Gordon.

Mr. Dave Galt, Executive Director of the Montana Petroleum Association (MPA) gave an update on the essay contest co-sponsored with the Board. The top eight essays are on MPA's website. He distributed a report attached as Exhibit 1. The MPA Board wants to do this again and wants the Board to continue to participate. The essay contest will be promoted at this year's teachers workshop and at the MEA/MFT conference this coming October.

Mr. King is pleased with the outcome of the essay contest. He thinks it has given students an insight into potential careers in the industry.

MOTION: Mr. King made a motion, seconded by Ms. Stahl and unanimously passed, to partner with MPA for next year's essay contest in the amount of \$3,000.

Mr. Scott Staffinon of Sidney was present to ask for assistance in getting royalty payments from 2006 from Enerplus Resources (USA) Corporation. Mr. Richmond said statute gives jurisdiction in these matters to the district courts (Section 82-10-103 (3), M.C.A.), and the Board has no jurisdiction. The Board's attorney said these are private matters. The only way the Board could get involved is if it somehow violates a Board Order, but he would advise the Board not to get involved in these matters. Staff has had a number of calls about missing royalty payments from this company and about mismatches between sales and production.

He also asked about division orders. The code says division orders must contain the name, address and tax id number of each disbursement owner. He used to get it all the time but now he gets one that lists his interest only. Mr. King said division orders are not filed with the Board and, because of privacy reasons these days, most are sent out only with the addressee's interests listed.

BOND REPORT

Chairman Nelson said Mr. Rich Jacobson retired at the end of May. There is not a bond report for this hearing. In the future, the database will produce the bond report. Mr. Jacobson's retirement has created an opportunity for Mr. Richmond to reorganize the Billings office and provide career development opportunities for two employees. He plans on moving all bond duties to an existing position which will result in an upgrade. He plans to change another position to an office manager position that supervises 3-4 people which will also result in an upgrade. He then plans to hire at least a half-time administrative support person to perform some of the duties previously performed by both positions.

Mr. Richmond said there is a substantial amount of money in the budget for historical data acquisition and good progress needs to be made on that project in the upcoming biennium. The Governor line-item vetoed the requirement that the Board report to the EQC on the progress made on this project in June 2008.

Ms. Perrigo said B.W.O.C., Inc. has a letter of credit expiring August 26 that is not being renewed by Wells Fargo bank, and Mr. Jacobson suggested last business meeting that they should be show-caused for July if they had not secured a replacement bond by this meeting.

MOTION: Mr. Bradshaw moved to schedule a Show-Cause hearing for B.W.O.C., Inc. if their expiring letter of credit has not been replaced by the filing deadline (June 28) for the July hearing. Mr. Smelser seconded the motion and it passed unanimously.

FINANCIAL REPORT

Ms. Perrigo presented the financial report attached as Exhibit 2.

DEFAULT DOCKET

Mr. Halvorson presented the Default Docket. Docket 149-2007 was scheduled for the Default Docket, but was removed when notice was received that there will be a protestant at the hearing. Docket 162-2007 was also going to be on the Default Docket, but was taken off when a letter of protest was received.

STAFF REPORTS

Mr. Sasaki handed out the Grant Status report, attached as Exhibit 3. He has an enforcement issue with Hi-Dezert/Zimco in regard to the Heringer 11-21 well in the NENW of Section 11, T30N-R44E, Roosevelt County, Montana. The well is double-bonded to both Hi-Dezert and Zimco. The treater is upset and everything in it was dumped. There are also a number of other deficiencies on the lease and the production reports are not current. He recommends the Board Show-Cause both Hi-Dezert and Zimco for the July hearing. Mr. King recused himself and took no further part in the proceedings on this matter.

MOTION: Mr. Smelser moved, seconded by Mr. Efta and passed, to schedule Hi-Dezert and Zimco for a Show-Cause hearing for July 2007 for failure to file production reports and failure to maintain the Heringer 11-21 wellsite.

Mr. Halvorson distributed production compliance status report, which is attached as Exhibit 4. Historically, it's the same few operators who are delinquent reporters each year. He recommends the following operators on Exhibit be fined a \$10 per month per lease late fee; and that the following four operators on the list be scheduled for Show-Cause hearings for July for failure to file accurate and timely production reports if those reports are not received by the June 28 filing deadline for the July hearing: Brandon Oil Company, Delphi International, Yellowstone Petroleum, Inc. and Rocky Mountain Gas, Inc.

MOTION: Mr. King made a motion, seconded by Mr. Smelser, and unanimously passed to fine the companies on Exhibit 4 a \$10 per lease per month late fee, and to schedule Brandon Oil Company, Delphi International, Yellowstone Petroleum, Inc. and Rocky Mountain Gas, Inc. for Show-Cause hearings in July if their delinquent production reports are not submitted by June 28, 2007.

Mr. Halvorson would like to find a simple solution to this problem and is open to suggestions from the Board members. Mr. Peterson suggested delinquent reporters be given one warning. Have a show-cause hearing pre-approved and they have to pay their fine and turn in the reports before the Show-Cause hearing or they will be fined more. Mr. Curt Dahlgaard wants at least one chance for operators who inadvertently or through computer problems fail to send in a report or two once in a while.

Mr. Richmond said the Tongue River Information Project report is completed. It's a good report and provides background on fourteen sites on the Tongue River, ten of which are irrigated with Tongue River water and four that are irrigated with other sources of water. The purpose of the project is to determine if there has been an impact on crop yields, soil salinity, water quality in the Tongue River, etc. from coal bed methane development in the Powder River Basin. The data shows that there has been no impact to date. HydroSolutions, Inc. did the study and Mr. Richmond will have them come to the July 2007 business meeting to give a report to the Board.

Mr. Peterson reported on his research into the Bureau of Land Management (BLM) questioning applicants at hearings. It is his opinion they can not do it. There is nothing in the Memorandum of Understanding (MOU) that allows them to appeal on behalf of BLM and ask questions without presence of counsel. BLM can't stand on the MOU as its ability to question.

It is Mr. Peterson's opinion that these are contested cases. If BLM seeks to question someone they are in fact practicing law and they need to have an attorney present. There is an ethics opinion from the state bar about this and Mr. Peterson also asked the state bar in person. They said anyone appearing on behalf of an organization is in effect practicing law and you can't do that unless you are an attorney.

Mr. King has concerns because the Board holds hearings for federal dockets as part of the MOU with BLM and BLM staff can't even ask questions at their own hearings.

Chairman Nelson asked Mr. Peterson to talk to the BLM representatives about this at tomorrow's hearing.

Mr. Bradshaw brought up the Energy Council and spoke in support of the Board joining. The dues are \$32,000 per year. The Governor suggested the Board decide if it wants to become a member; and if so it will be included in the Executive Planning Process for the next biennium. Mr. Smelser suggested this be discussed at the next business meeting.

With no further business, the business meeting adjourned at 4:10 pm

PUBLIC HEARING

The Board reconvened at 8:00 a.m. Thursday June 14, 2007, in the conference room of the Billings Petroleum Club on the 22nd floor of the Crowne Plaza Billings, to hear the matters docketed for public hearing. As a result of the discussion, testimony and technical data placed before the Board, the following action was taken in each matter.

Docket No. 132-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

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Docket No. 136-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 137-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 138-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 139-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 140-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 141-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 142-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 143-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 144-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 145-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 146-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 147-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 148-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 149-2007 – A motion was made by Mr. Bradshaw, seconded by Mr. Smith to approve the application of Headington Oil, Limited Partnership as set forth in Board Order 111-2007.

Docket No. 150-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Headington Oil, Limited Partnership was approved as set forth in Board Order 112-2007.

Docket No. 151-2007 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of Headington Oil, Limited Partnership as set forth in Board Order 113-2007.

Docket No. 152-2007 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of Headington Oil, Limited Partnership as set forth in Board Order 114-2007.

Docket No. 153-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Encore Operating, L.P. was approved as set forth in Board Order 115-2007.

Docket No. 154-2007 – The application of Encore Operating, L.P. was continued to the July 2007 hearing.

Docket No. 155-2007 – A motion was made by Mr. King, seconded by Ms. Stahl and unanimously passed, to approve the application of Constitution Gas Transport Co., Inc. as set forth in Board Order 116-2007.

Docket No. 156-2007 – The application of Flying J Oil and Gas, Inc. was withdrawn.

Docket No. 157-2007 – A motion was made by Mr. Efta, seconded by Mr. Smelser and unanimously passed, to approve the application of Flying J Oil and Gas, Inc., Inc. as set forth in Board Order 117-2007.

Docket No. 158-2007 – A motion was made by Mr. Brown, seconded by Mr. Efta and unanimously passed, to approve the application of Flying J Oil and Gas, Inc., Inc. as set forth in Board Order 118-2007.

Docket No. 159-2007 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Bill Barrett Corporation as set forth in Board Order 119-2007.

Docket No. 160-2007 – A motion was made by Ms. Stahl, seconded by Mr. Bradshaw and unanimously passed, to approve the application of Forest Oil Corporation as set forth in Board Order 120-2007.

Docket No. 161-2007 – A motion was made by Ms. Stahl, seconded by Mr. Bradshaw and unanimously passed, to approve the application of Forest Oil Corporation as set forth in Board Order 121-2007.

Docket No. 162-2007 – A motion was made by Mr. Smelser, seconded by Mr. Smith and unanimously passed, to approve the application of Klabzuba Oil & Gas, Inc. as set forth in Board Order 122-2007.

Docket No. 163-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Klabzuba Oil & Gas, Inc. was approved as set forth in Board Order 123-2007.

Docket No. 164-2007 – A motion was made by Mr. Bradshaw, seconded by Ms. Stahl and unanimously passed, to approve the application of Klabzuba Oil & Gas, Inc. as set forth in Board Order 124-2007.

Docket No. 165-2007 – A motion was made by Mr. Smith, seconded by Mr. Bradshaw and unanimously passed, to approve the application of Klabzuba Oil & Gas, Inc. as set forth in Board Order 125-2007.

Docket No. 166-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Klabzuba Oil & Gas, Inc. was approved as set forth in Board Order 126-2007.

Docket No. 167-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Klabzuba Oil & Gas, Inc. was approved as set forth in Board Order 127-2007.

Docket No. 168-2007 – A motion was made by Mr. Bradshaw, seconded by Mr. Smelser and unanimously passed, to approve the application of Cardinal Oil, LLC as set forth in Board Order 128-2007.

Docket No. 169-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Croft Petroleum Company was approved as set forth in Board Order 129-2007.

Docket No. 170-2007 – A motion was made by Mr. Bradshaw, seconded by Ms. Stahl and unanimously passed, to approve the application of Croft Petroleum Company as set forth in Board Order 130-2007.

Docket No. 171-2007 – The application of Stone Energy Corporation was continued to the July 2007 hearing.

Docket No. 172-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Enerplus Resources USA Corporation was approved as set forth in Board Order 131-2007.

Docket No. 173-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Enerplus Resources USA Corporation was approved as set forth in Board Order 132-2007.

Docket No. 174-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Enerplus Resources USA Corporation was approved as set forth in Board Order 133-2007.

Docket No. 175-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Enerplus Resources USA Corporation was approved as set forth in Board Order 134-2007.

Docket No. 176-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Enerplus Resources USA Corporation was approved as set forth in Board Order 135-2007.

Docket No. 177-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Enerplus Resources USA Corporation was approved as set forth in Board Order 136-2007.

Docket No. 178-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Enerplus Resources USA Corporation was approved as set forth in Board Order 137-2007.

Docket No. 179-2007 – The application of Petro-Hunt, L.L.C. was continued to the July 2007 hearing.

Docket No. 180-2007 – A motion was made by Mr. Bradshaw, seconded by Ms. Stahl and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 138-2007.

Docket No. 181-2007 – A motion was made by Mr. Bradshaw, seconded by Ms. Stahl and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 139-2007.

Docket No. 182-2007 – A motion was made by Mr. Bradshaw, seconded by Ms. Stahl and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 140-2007.

Docket No. 183-2007 – A motion was made by Mr. Bradshaw, seconded by Ms. Stahl and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 141-2007.

Docket No. 184-2007 – A motion was made by Mr. Bradshaw, seconded by Ms. Stahl and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 142-2007.

Docket No. 185-2007 – A motion was made by Mr. Smith, seconded by Mr. Efta and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 143-2007.

Docket No. 186-2007 & 5-2007 fed – A motion was made by Mr. Bradshaw, seconded by Ms. Stahl and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 144-2007.

Docket No. 187-2007 – A motion was made by Mr. Smelser, seconded by Ms. Stahl and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 145-2007.

Docket No. 188-2007 – A motion was made by Mr. Efta, seconded by Mr. Smelser and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 146-2007.

Docket No. 189-2007 – A motion was made by Mr. Smelser, seconded by Mr. Bradshaw and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 147-2007.

Docket No. 190-2007 – A motion was made by Mr. Bradshaw, seconded by Ms. Stahl and unanimously passed, to approve the application of Petro-Hunt, L.L.C. as set forth in Board Order 148-2007.

Docket No. 191-2007 – The application of Kodiak Oil & Gas (USA) Inc. was withdrawn.

Docket No. 192-2007 – The application of McMinn Operating Company was continued to the July 2007 hearing.

Docket No. 193-2007 – A motion was made by Mr. Bradshaw, seconded by Mr. Efta and unanimously passed, to approve the application of Omimex Canada, LTD. as set forth in Board Order 149-2007.

Docket No. 194-2007 – A motion was made by Mr. Smelser, seconded by Ms. Stahl and unanimously passed, to approve the application of Omimex Canada, LTD. as set forth in Board Order 150-2007.

Docket No. 195-2007 – The application of Nance Petroleum Corporation was continued to the July 2007 hearing.

Docket No. 196-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Nance Petroleum Corporation was approved as set forth in Board Order 151-2007.

Docket No. 197-2007 – The application of Nance Petroleum Corporation was withdrawn.

Docket No. 198-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 152-2007.

Docket No. 199-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 200-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 153-2007.

Docket No. 201-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 154-2007.

Docket No. 202-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 155-2007.

Docket No. 203-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 204-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 156-2007.

Docket No. 205-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 157-2007.

Docket No. 206-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 158-2007.

Docket No. 207-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 159-2007.

Docket No. 208-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 209-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 210-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 211-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 212-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 213-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 160-2007.

Docket No. 214-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 161-2007.

Docket No. 215-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 162-2007.

Docket No. 216-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 217-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 218-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 163-2007.

Docket No. 219-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 164-2007.

Docket No. 220-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 165-2007.

Docket No. 221-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 222-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 166-2007.

Docket No. 223-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 167-2007.

Docket No. 224-2007 – The application of Continental Resources, Inc. was continued to the July 2007 hearing.

Docket No. 225-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 168-2007.

Docket No. 226-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 169-2007.

Docket No. 227-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 170-2007.

Docket No. 228-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 171-2007.

Docket No. 229-2007 – A motion was made by Mr. Bradshaw, seconded by Mr. King and unanimously passed, to approve the application of Americana Exploration LLC as set forth in Board Order 172-2007.

Docket No. 230-2007 – A motion was made by Mr. Bradshaw, seconded by Mr. Smith and unanimously passed, to approve the application of Americana Exploration LLC as set forth in Board Order 173-2007.

Docket No. 231-2007 – A motion was made by Mr. Efta, seconded by Mr. King and unanimously passed, to approve the application of Americana Exploration LLC as set forth in Board Order 174-2007.

Docket No. 232-2007 – A motion was made by Mr. Bradshaw, seconded by Mr. Smelser and unanimously passed, to approve the application of Americana Exploration LLC as set forth in Board Order 175-2007.

Docket No. 233-2007 – A motion was made by Mr. Efta, seconded by Mr. King and unanimously passed, to approve the application of Americana Exploration LLC as set forth in Board Order 176-2007.

Docket No. 234-2007 – The application of J. Burns Brown Operating Company was withdrawn.

Docket No. 41-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 42-2007 – The application of Burlington Resources Oil & Gas Company LP was continued to the July 2007 hearing.

Docket No. 48-2007 – The application of PT Energy, LLC was continued to the July 2007 hearing.

Docket No. 78-2007 – The application of PrimeWest Petroleum, Inc. was continued to the July 2007 hearing.

Docket No. 82-2007 – Board staff placed this application on the Default Docket for approval without hearing if no protests were received by 11:30 a.m. on the day of the hearing. No protests were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 177-2007.

Docket No. 93-2007 – A motion was made by Mr. King, seconded by Mr. Bradshaw and unanimously passed, to approve the application of Encore Operating, L.P. as set forth in Board Order 178-2007.

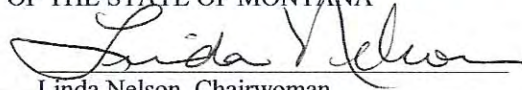
Docket No. 94-2007 – A motion was made by Mr. King, seconded by Mr. Bradshaw and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 179-2007.

Docket No. 235-2007 – A motion was made by Mr. Smith, seconded by Ms. Stahl and unanimously passed, to require the following of TOI Operating and Par Investments, as set forth in Board Order 180-2007: 1) that TOI Operating and Par Investments have until October 12, 2007 (120 days from the date of this hearing) to determine whether the A. Peterson 28-1 well in Section 28, T22N-R59E, Richland County, Montana, will be recompleted and placed on line or whether it will be plugged and abandoned; 2) that Board staff add the A. Peterson 28-1 well to the Par Investment bond, which is identified in Findings of Fact #2 above, with said well to also remain on TOI Operating's bond; 3) that by June 21, 2007, the A. Peterson 28-1 well site will be cleaned up and the tank will be set; and 4) that Mr. Gleason appear at the October 24, 2007 business meeting where Chief Field Inspector Steve Sasaki will give a report on this matter.

NEXT MEETING

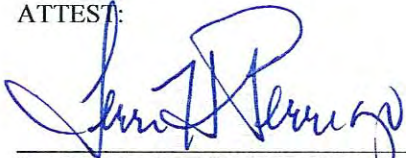
The next business meeting of the Board will be Wednesday, July 25, 2007 at 2:00 p.m. in the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana. The next regular public hearing will be Thursday, July 26, 2007, beginning at 8:00 a.m. in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings, in Billings, Montana. The filing deadline for the July 26, 2007 public hearing is June 28, 2007.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA



Linda Nelson, Chairwoman
Wayne Smith, Vice-Chairman
Don Bradshaw
Ronald S. Efta
Jack King
Bret Smelser
Joan Stahl

ATTEST:



Terri H. Perrigo, Executive Secretary