

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

UPON THE APPLICATION OF  
KLABZUBA OIL & GAS, INC. TO CONVERT  
THE DUSEK RANCH 19-36-16B WELL  
(API # 25-041-22936) LOCATED IN THE NENW  
OF SECTION 19, T36N-R16E, HILL COUNTY,  
MONTANA, (ST. JOE ROAD FIELD) TO A  
CLASS II INJECTION WELL IN THE EAGLE  
FORMATION AT A DEPTH OF  
APPROXIMATELY 1400 FEET.

ORDER 1-2008

Docket No. 1-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 1-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF 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 9, T23N-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.

ORDER NO. 2-2008

Docket No. 4-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 2-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF 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 32, T25N-R54E, RICHLAND  
COUNTY, MONTANA, SAID WELL TO BE  
LOCATED ANYWHERE WITHIN SAID  
PERMANENT SPACING UNIT BUT NOT CLOSER  
THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 3-2008

Docket No. 5-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 3-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF 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 22, 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.

ORDER NO. 4-2008

Docket No. 6-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 4-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF 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 SECTIONS 27 AND 34, T24N-R56E,  
RICHLAND COUNTY, MONTANA, SAID WELL  
TO BE LOCATED ANYWHERE WITHIN SAID  
PERMANENT SPACING UNIT BUT NOT  
CLOSER THAN 660 FEET TO THE BOUNDARIES  
THEREOF.

ORDER NO. 5-2008

Docket No. 7-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 5-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

ORDER NO. 6-2008

Docket No. 8-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 6-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

BEFORE THE BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF 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 SECTIONS 20 AND 29, 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.

ORDER NO. 7-2008

Docket No. 9-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 7-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
COASTAL PETROLEUM COMPANY TO DRILL  
A GAS TEST WELL (1-21 FEDERAL) AT A  
LOCATION 814' FNL AND 2555' FEL OF  
SECTION 21, T36N-R38E, VALLEY COUNTY,  
MONTANA, AS AN EXCEPTION TO  
A.R.M. 36.22.702 (11).

ORDER NO. 8-2008

Docket No. 10-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was originally scheduled for hearing because applicant did not request the Default Docket, even though exception locations are one of the types of applications eligible for placement on the Default Docket. Attorney Kemp Wilson, representing Coastal Petroleum Company, contacted staff after publication of the hearing notice to see if the application could still be placed on the Default Docket. The matter was discussed at the Board's January 30, 2008 business meeting. Mr. Pascual Laborda of the Bureau of Land Management (BLM) said BLM had no objection to the request. The Board voted unanimously to move Dockets 10-2008 and 11-2008 to the Default Docket.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Coastal Petroleum Company is authorized to drill a gas test well (1-21 Federal) at a location 814' FNL and 2555' FEL of Section 21, T36N-R38E, Valley County, Montana, as an exception to A.R.M. 36.22.702 (11).

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

BOARD ORDER NO. 8-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
COASTAL PETROLEUM COMPANY TO DRILL  
A GAS TEST WELL (1-31 FEDERAL) AT A  
LOCATION 957' FSL AND 1166' FEL OF  
SECTION 31, T36N-R38E, VALLEY COUNTY,  
MONTANA, AS AN EXCEPTION TO  
A.R.M. 36.22.702 (11).

ORDER NO. 9-2008

Docket No. 11-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was originally scheduled for hearing because applicant did not request the Default Docket, even though exception locations are one of the types of applications eligible for placement on the Default Docket. Attorney Kemp Wilson, representing Coastal Petroleum Company, contacted staff after publication of the hearing notice to see if the application could still be placed on the Default Docket. The matter was discussed at the Board's January 30, 2008 business meeting. Mr. Pascual Laborda of the Bureau of Land Management (BLM) said BLM had no objection to the request. The Board voted unanimously to move Dockets 10-2008 and 11-2008 to the Default Docket.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Coastal Petroleum Company is authorized to drill a gas test well (1-31 Federal) at a location 957' FSL and 1166' FEL of Section 31, T36N-R38E, Valley County, Montana, as an exception to A.R.M. 36.22.702 (11).

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

BOARD ORDER NO. 9-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DALE LEIVESTAD, LLC TO ADD THE MISSION  
CANYON FORMATION AT A DEPTH OF  
APPROXIMATELY 7900 FEET TO THE  
INJECTION ZONE IN THE SCHWEIGERT  
14-30 WELL (API # 25-025-21330) LOCATED IN  
THE SWSW OF SECTION 30, T9N-R60E, FALLON  
COUNTY, MONTANA (CUPTON FIELD).

ORDER NO. 10-2008

Docket No. 12-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Dale Leivestad, LLC is granted as applied for, subject to stipulations on the Sundry Notice.

BOARD ORDER NO. 10-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO CREATE  
A PERMANENT SPACING UNIT COMPRISED OF  
LOTS 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (ALL) OF SECTION 1  
AND THE N $\frac{1}{2}$  OF SECTION 12, T22N-R59E,  
RICHLAND COUNTY, MONTANA,  
FOR PRODUCTION OF OIL AND ASSOCIATED  
NATURAL GAS FROM THE BAKKEN  
FORMATION THEREUNDER.

ORDER NO. 11-2008

Docket No. 13-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (all) of Section 1 and the N $\frac{1}{2}$  of Section 12, T22N-R59E, Richland County, Montana, are designated a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation thereunder.

BOARD ORDER NO. 11-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO CREATE  
A PERMANENT SPACING UNIT COMPRISED OF  
LOTS 1, 2, 3, 4, W½ (ALL) OF SECTION 29, ALL  
OF SECTION 30, AND LOTS 1, 2, 3, 4, W½ (ALL)  
OF SECTION 32, T22N-R60E, RICHLAND  
COUNTY, MONTANA, FOR PRODUCTION OF  
OIL AND ASSOCIATED NATURAL GAS FROM  
THE BAKKEN FORMATION THEREUNDER.

ORDER NO. 12-2008

Docket No. 14-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lots 1, 2, 3, 4, W½ (all) of Section 29, all of Section 30, and Lots 1, 2, 3, 4, W½ (all) of Section 32, T22N-R60E, Richland County, Montana, are designated a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation thereunder.

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

BOARD ORDER NO. 12-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO POOL  
ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF  
SECTION 24, T22N-R59E, 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. WITH RESPECT TO THE RAU #11X-24 WELL.

ORDER NO. 13-2008

Docket No. 15-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Section 24, T22N-R59E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 13-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO DRILL AN  
ADDITIONAL HORIZONTAL BAKKEN  
FORMATION WELL IN THE PERMANENT  
SPACING UNIT COMPRISED OF LOTS 1, 2, 3, 4,  
S½N½, S½ (ALL) OF SECTION 5 AND ALL OF  
SECTION 8, T23N-R55E, RICHLAND COUNTY,  
MONTANA, ANYWHERE WITHIN SAID SPACING  
UNIT BUT NOT CLOSER THAN 660 FEET TO THE  
BOUNDARIES THEREOF.

ORDER NO. 14-2008

Docket No. 16-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 14-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO DRILL  
AN ADDITIONAL HORIZONTAL BAKKEN  
FORMATION WELL IN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF  
SECTIONS 11 AND 14, T23N-R56E, RICHLAND  
COUNTY, MONTANA, ANYWHERE WITHIN  
SAID SPACING UNIT BUT NOT CLOSER THAN  
660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 15-2008

Docket No. 17-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 15-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO DRILL  
AN ADDITIONAL HORIZONTAL BAKKEN  
FORMATION WELL IN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF  
SECTIONS 14 AND 23, T24N-R54E, RICHLAND  
COUNTY, MONTANA, ANYWHERE WITHIN  
SAID SPACING UNIT BUT NOT CLOSER THAN  
660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 16-2008

Docket No. 18-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 16-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO DRILL AN  
ADDITIONAL HORIZONTAL BAKKEN  
FORMATION WELL IN THE PERMANENT  
SPACING UNIT COMPRISED OF LOTS 1, 2, 3, 4,  
E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (ALL) OF SECTION 31, T24N-R55E, AND  
LOTS 1, 2, 3, 4, 5, 6, 7, S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ ,  
SE $\frac{1}{4}$  (ALL) OF SECTION 6, T23N-R55E, RICHLAND  
COUNTY, MONTANA, ANYWHERE WITHIN SAID  
SPACING UNIT BUT NOT CLOSER THAN 660 FEET  
TO THE BOUNDARIES THEREOF.

ORDER NO. 17-2008

Docket No. 19-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 17-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO DRILL AN  
ADDITIONAL HORIZONTAL BAKKEN  
FORMATION WELL IN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF  
SECTIONS 13 AND 24, T24N-R56E, RICHLAND  
COUNTY, MONTANA, ANYWHERE WITHIN SAID  
SPACING UNIT BUT NOT CLOSER THAN 660 FEET  
TO THE BOUNDARIES THEREOF.

ORDER NO. 18-2008

Docket No. 20-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 18-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

---

Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO DRILL  
AN ADDITIONAL HORIZONTAL BAKKEN  
FORMATION WELL IN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF  
SECTIONS 14 AND 23, T24N-R56E, RICHLAND  
COUNTY, MONTANA, ANYWHERE WITHIN  
SAID SPACING UNIT BUT NOT CLOSER  
THAN 660 FEET TO THE BOUNDARIES  
THEREOF.

ORDER NO. 19-2008

Docket No. 21-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 19-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

---

Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO DRILL AN  
ADDITIONAL HORIZONTAL BAKKEN  
FORMATION WELL IN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF  
SECTION 33, T24N-R56E AND ALL OF SECTION 4,  
T23N-R56E, RICHLAND COUNTY, MONTANA,  
ANYWHERE WITHIN SAID SPACING UNIT BUT  
NOT CLOSER THAN 660 FEET TO THE  
BOUNDARIES THEREOF.

ORDER NO. 20-2008

Docket No. 22-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 20-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

---

Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO DRILL AN  
ADDITIONAL HORIZONTAL BAKKEN  
FORMATION WELL IN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF  
SECTIONS 2 AND 11, T25N-R53E, RICHLAND  
COUNTY, MONTANA, ANYWHERE WITHIN SAID  
SPACING UNIT BUT NOT CLOSER THAN 660 FEET  
TO THE BOUNDARIES THEREOF.

ORDER NO. 21-2008

Docket No. 23-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 21-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
HEADINGTON OIL COMPANY LLC TO DRILL AN  
ADDITIONAL HORIZONTAL BAKKEN  
FORMATION WELL IN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF  
SECTIONS 26 AND 35, T25N-R53E, RICHLAND  
COUNTY, MONTANA, ANYWHERE WITHIN SAID  
SPACING UNIT BUT NOT CLOSER THAN 660 FEET  
TO THE BOUNDARIES THEREOF.

ORDER NO. 22-2008

Docket No. 24-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 22-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
FIDELITY EXPLORATION & PRODUCTION  
COMPANY TO CONVERT THE  
CONSOLIDATED COAL 32 11-9-39 WELL  
(API # 25-003-22377) LOCATED IN THE  
SWNE OF SECTION 11, T9S-R39E, BIG HORN  
COUNTY, MONTANA (CX FIELD), TO A  
CLASS II INJECTION WELL IN THE  
SHANNON FORMATION AT A DEPTH OF  
APPROXIMATELY 5600 FEET.

ORDER NO. 23-2008

Docket No. 25-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Fidelity Exploration & Production Company is granted as applied for, subject to stipulations on the Sundry Notice.

BOARD ORDER NO. 23-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

---

Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
MISSOURI BASIN WELL SERVICE, INC. TO  
CREATE A TWO SEPARATE TEMPORARY  
SPACING UNITS, ONE COMPRISED OF  
LOTS 1 AND 2 (E½) OF SECTION 5 AND  
THE E½ OF SECTION 8, T24N-R59E,  
RICHLAND COUNTY, MONTANA, AND  
THE SECOND COMPRISED OF LOTS 3  
AND 4 (W½) OF SECTION 5 AND THE W½ OF  
SECTION 8, T24N-R59E, RICHLAND COUNTY,  
MONTANA, TO DRILL HORIZONTAL BAKKEN  
FORMATION TEST WELLS WITH THE  
LATERALS LOCATED NOT LESS THAN 660  
FEET FROM THE EXTERIOR BOUNDARIES OF  
SAID TEMPORARY SPACING UNITS AS AN  
EXCEPTION TO BOARD ORDER 151-2003.

ORDER NO. 24-2008

Docket No. 26-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Missouri Basin Well Service, Inc. is authorized to create two separate temporary spacing units, one comprised of Lots 1 and 2 (E½) of Section 5 and the E½ of Section 8, T24N-R59E, Richland County, Montana, and the second comprised of Lots 3 and 4 (W½) of Section 5 and the W½ of Section 8, T24N-R59E, Richland County, Montana, to drill horizontal Bakken Formation test wells with the laterals located not less than 660 feet from the exterior boundaries of said temporary spacing units as an exception to Board Order 151-2003.

IT IS FURTHER ORDERED that applicant must return for permanent spacing within 90 days of successful well completion.

BOARD ORDER NO. 24-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

---

Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
ST. MARY LAND & EXPLORATION COMPANY  
TO CREATE A PERMANENT SPACING UNIT  
FOR PRODUCTION OF OIL AND ASSOCIATED  
GAS FROM THE BAKKEN FORMATION  
COMPRISED OF LOTS 3, 4, 9, 10, 11, E $\frac{1}{2}$ NW $\frac{1}{4}$ ,  
NE $\frac{1}{4}$ SW $\frac{1}{4}$ , (W $\frac{1}{2}$ ) OF SECTION 31, T24N-R58E,  
RICHLAND COUNTY, MONTANA, AND TO  
DESIGNATE APPLICANT'S JOHNSON 14-31H  
WELL AS THE AUTHORIZED WELL FOR SAID  
SPACING UNIT.

ORDER NO. 25-2008

Docket No. 29-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lots 3, 4, 9, 10, 11, E $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , (W $\frac{1}{2}$ ) of Section 31, T24N-R58E, Richland County, Montana, are delineated a permanent spacing unit for production of oil and associated gas from the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Johnson 14-31H well is the authorized well for said spacing unit.

BOARD ORDER NO. 25-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

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Joan Stahl, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
SINCLAIR OIL & GAS COMPANY TO CREATE  
A PERMANENT SPACING UNIT COMPRISED  
OF ALL OF SECTIONS 15 AND 22, T27N-R53E,  
RICHLAND COUNTY, MONTANA, FOR  
PRODUCTION OF OIL AND ASSOCIATED  
NATURAL GAS FROM THE BAKKEN  
FORMATION THROUGH THE RALSTON  
#1-15H WELLBORE.

ORDER NO. 26-2008

Docket No. 30-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 15 and 22, T27N-R53E, Richland County, Montana, are delineated a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation through the Ralston #1-15H wellbore.

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

BOARD ORDER NO. 26-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
SINCLAIR OIL & GAS COMPANY TO CREATE  
A PERMANENT SPACING UNIT COMPRISED  
OF ALL OF SECTIONS 23 AND 26, T27N-R53E,  
RICHLAND COUNTY, MONTANA, FOR  
PRODUCTION OF OIL AND ASSOCIATED  
NATURAL GAS FROM THE BAKKEN  
FORMATION THROUGH THE SCHMITZ  
#1-23H WELLBORE.

ORDER NO. 27-2008

Docket No. 31-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 23 and 26, T27N-R53E, Richland County, Montana, are delineated a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation through the Schmitz #1-23H wellbore.

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

BOARD ORDER NO. 27-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
ALTAMONT OIL & GAS, INC. TO POOL ALL  
INTERESTS IN THE SPACING UNIT  
COMPRISED OF THE NW¼ OF SECTION 20,  
T29N-R5W, PONDERA COUNTY, MONTANA,  
FOR PRODUCTION OF NATURAL GAS AND  
ASSOCIATED LIQUID HYDROCARBONS  
FROM THE BOW ISLAND FORMATION  
THROUGH THE WELLBORE OF THE JIM  
POWERS 20-1 WELL AND TO IMPOSE  
NON-JOINDER PENALTIES IN ACCORDANCE  
WITH SECTION 82-11-202 (2), M.C.A.  
(LAKE FRANCIS FIELD)

ORDER NO. 28-2008

Docket No. 32-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of the NW¼ of Section 20, T29N-R5W, Pondera County, Montana, are hereby pooled on the basis of surface acreage for production of natural gas and associated liquid hydrocarbons from the Bow Island Formation through the wellbore of the Jim Powers 20-1 well.

IT IS FURTHER ORDERED that applicant is authorized to impose non-joinder penalties in accordance with Section 82-11-202 (2), M.C.A.

BOARD ORDER NO. 28-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
PRIMEWEST PETROLEUM INC. TO CONVERT  
THE PJ JERDE #1 WELL (API # 025-091-05263)  
LOCATED IN THE NENW OF SECTION 15,  
T37N-R57E, SHERIDAN COUNTY, MONTANA  
(FLAT LAKE FIELD), TO A CLASS II INJECTION  
WELL IN THE RATCLIFFE FORMATION AT A  
DEPTH OF APPROXIMATELY 6400-6500 FEET.

ORDER NO. 29-2008

Docket No. 33-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of PrimeWest Petroleum, Inc. is granted as applied for, subject to stipulations on the Sundry Notice.

BOARD ORDER NO. 29-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF THE W½ OF  
SECTION 2 AND THE E½ OF SECTION 3,  
T25N-R18E, BLAINE COUNTY, MONTANA, FOR  
PRODUCTION OF EAGLE FORMATION NATURAL  
GAS THROUGH THE WELLBORE OF THE US  
DIR #02-05-25-18 WELL.

ORDER NO. 30-2008

Docket No. 34-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 30-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE SPACING  
UNIT COMPRISED OF THE SW¼ OF SECTION 3,  
THE SE¼ OF SECTION 4, THE NE¼ OF SECTION 9,  
AND THE NW¼ OF SECTION 10, T25N-R18E,  
BLAINE COUNTY, MONTANA, FOR PRODUCTION  
OF NATURAL GAS FROM THE EAGLE FORMATION  
THROUGH THE WELLBORE OF THE STEVENS  
#09-01-25-18 WELL.

ORDER NO. 31-2008

Docket No. 35-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
- 3.. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 31-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

---

Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF THE SW¼ OF  
SECTION 2, THE SE¼ OF SECTION 3, THE NE¼  
OF SECTION 10, AND THE NW¼ OF SECTION 11,  
T25N-R18E, BLAINE COUNTY, MONTANA, FOR  
PRODUCTION OF EAGLE FORMATION NATURAL  
GAS THROUGH THE WELLBORE OF THE  
LOVEALL #11-04-25-18 WELL.

ORDER NO. 32-2008

Docket No. 36-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
- 3.. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 32-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

---

Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF THE E½ OF  
SECTION 22 AND THE W½ OF SECTION 23,  
T25N-R18E, BLAINE COUNTY, MONTANA, FOR  
PRODUCTION OF EAGLE FORMATION NATURAL  
GAS THROUGH THE WELLBORE OF THE  
WORTMAN #23-12-25-18 WELL.

ORDER NO. 33-2008

Docket No. 37-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
- 3.. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 33-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

---

Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF THE E $\frac{1}{2}$ SE $\frac{1}{4}$  OF  
SECTION 1, T27N-R18E AND THE W $\frac{1}{2}$ SW $\frac{1}{4}$  OF  
SECTION 6, T27N-R19E, BLAINE COUNTY,  
MONTANA, FOR PRODUCTION OF EAGLE  
FORMATION NATURAL GAS THROUGH THE  
WELLBORE OF THE US DIR #01-09-27-18 WELL.

ORDER NO. 34-2008

Docket No. 38-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
- 3.. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 34-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF THE W $\frac{1}{2}$  OF  
SECTION 15 AND THE E $\frac{1}{2}$  OF SECTION 16,  
T25N-R18E, BLAINE COUNTY, MONTANA, FOR  
PRODUCTION OF EAGLE FORMATION NATURAL  
GAS THROUGH THE WELLBORE OF THE STATE  
DIR #16-09-25-18 WELL.

ORDER NO. 35-2008

Docket No. 39-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 35-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

---

Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF THE S½ OF  
SECTION 28 AND THE N½ OF SECTION 33,  
T25N-R18E, BLAINE COUNTY, MONTANA, FOR  
PRODUCTION OF EAGLE FORMATION NATURAL  
GAS THROUGH THE WELLBORE OF THE US  
DIR #28-14-25-18 WELL.

ORDER NO. 36-2008

Docket No. 40-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
- 3.. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 36-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF THE NE¼ OF  
SECTION 32 AND THE NW¼ OF SECTION 33,  
T25N-R18E, BLAINE COUNTY, MONTANA, FOR  
PRODUCTION OF EAGLE FORMATION NATURAL  
GAS THROUGH THE WELLBORE OF THE US  
DIR #32-01-25-18 WELL.

ORDER NO. 37-2008

Docket No. 41-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
- 3.. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 37-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF THE SW¼ OF  
SECTION 29 AND THE NW¼ OF SECTION 32,  
T25N-R18E, BLAINE COUNTY, MONTANA, FOR  
PRODUCTION OF EAGLE FORMATION NATURAL  
GAS THROUGH THE WELLBORE OF THE US  
#32-03-25-18 WELL.

ORDER NO. 38-2008

Docket No. 42-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
- 3.. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 38-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF THE E½ OF  
SECTION 20, T25N-R18E, BLAINE COUNTY,  
MONTANA, FOR PRODUCTION OF EAGLE  
FORMATION NATURAL GAS THROUGH THE  
WELLBORE OF THE US DIR #20-08-25-18 WELL.

ORDER NO. 39-2008

Docket No. 43-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
- 3.. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 39-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
TO POOL ALL INTERESTS IN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF  
SECTION 27, T25N-R18E, BLAINE COUNTY,  
MONTANA, FOR PRODUCTION OF EAGLE  
FORMATION NATURAL GAS THROUGH THE  
WELLBORE OF THE US #27-10-25-18 WELL.

ORDER NO. 40-2008

Docket No. 44-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. This application was placed on the Default Docket because non-joinder penalties were not requested.
- 3.. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

BOARD ORDER NO. 40-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
DEVON ENERGY PRODUCTION COMPANY, L.P.  
FOR AUTHORIZATION TO PRODUCE GAS FROM  
THE JUDITH RIVER FORMATION THROUGH THE  
WELLBORE OF THE READ #12-01-27-18 WELL  
LOCATED 510' FNL AND 576' FEL OF SECTION 12,  
T27N-R18E, BLAINE COUNTY, MONTANA, AS AN  
EXCEPTION TO BOARD ORDER 45-76.  
(SAWTOOTH MOUNTAIN FIELD)

ORDER NO. 41-2008

Docket No. 45-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Devon Energy Production Company, L.P. is granted as applied for.

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

BOARD ORDER NO. 41-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
J. BURNS BROWN OPERATING COMPANY TO  
CREATE A PERMANENT SPACING UNIT FOR  
THE EAGLE FORMATION COMPRISED OF THE  
SE $\frac{1}{4}$  OF SECTION 20 AND THE SW $\frac{1}{4}$  OF SECTION 21,  
T35N-R17E, HILL COUNTY, MONTANA, AND TO  
DESIGNATE THE EAST END 20-16-35-17B WELL AS THE  
ONLY WELL AUTHORIZED FOR SAID SPACING UNIT; OR, IN  
THE ALTERNATIVE, APPLICANT REQUESTS THE BOARD  
CREATE A TEMPORARY SPACING UNIT FOR THE EAGLE  
FORMATION COMPRISED OF THE SE $\frac{1}{4}$  OF SECTION 20 AND  
THE SW $\frac{1}{4}$  OF SECTION 21, T35N-R17E, HILL COUNTY,  
MONTANA, AND GRANT A DRILLING PERMIT FOR THE  
EAGLE FORMATION ANYWHERE WITHIN THE SW $\frac{1}{4}$  OF  
SECTION 21, BUT NOT CLOSER THAN 660 FEET TO THE EXTERIOR  
BOUNDARIES OF SAID SPACING UNIT.

ORDER NO. 42-2008

Docket No. 46-2008

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Attorney John Lee, representing Klabzuba Oil and Gas, Inc. (Klabzuba), submitted a request for dismissal or continuance of this application on January 22, 2008. Klabzuba drilled and is the operator of the well which is the subject of this application. Klabzuba applied for and was granted temporary spacing for this well comprised of the S $\frac{1}{2}$  of Section 20, T35N-R17E, Hill County, Montana, in Order 298-2007, which stipulated Klabzuba must return for permanent spacing within 90 days of well completion. The well was put on production January 2, 2008 and Klabzuba intended to return for permanent spacing at the Board's March 2008 hearing. Mr. Lee requested the application be dismissed because J. Burns Brown Operating Company (JBB) is not an interested party according to Section 82-11-201 (1), M.C.A. If not dismissed, Mr. Lee requested the application be continued to March 2008 because the S $\frac{1}{2}$  of Section 20 was not included in the public notice and because there is not sufficient production data available yet to permanently space the well.
3. Attorney Loren J. O'Toole, Jr., representing J. Burns Brown Operating Company, responded to Mr. Lee's request on January 25, 2008, stating he was not willing to go along with the request for continuance. It is JBB's position that the SW $\frac{1}{4}$  of Section 21 is being drained by the subject well and is not included in the existing temporary spacing unit. To allow that drainage to continue for two months until the March 2008 hearing date is not acceptable. Mr. O'Toole also stated that JBB, through its contractual relationship with Textana and Sandtana to operate wells, is an interested party because they are an "owner" as contemplated by Section 82-11-101 (9), M.C.A.

BOARD ORDER NO. 42-2008

4. The Board, after hearing testimony from both parties, voted unanimously to continue this application to the March 27, 2008 public hearing with certain stipulations which are set forth below.

5. The evidence indicates that taking the following action regarding this application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that this application is continued to the Board's March 27, 2008 public hearing.

IT IS FURTHER ORDERED that production proceeds from the East End 20-16-35-17B well shall be not be distributed but held in an interest bearing escrow account until permanent spacing is determined.

IT IS FURTHER ORDERED that attorneys for both sides shall submit briefs to the Board's legal counsel at least two weeks prior to the March 27, 2008 public hearing regarding questions of legality raised by Mr. Lee.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
WESTERN NATURAL GAS CO. TO CREATE A  
PERMANENT SPACING UNIT COMPRISED OF  
THE N½ OF SECTION 8, T37N-R1E, TOOLE  
COUNTY, MONTANA, FOR ALL FORMATIONS  
FROM THE SURFACE TO THE TOP OF THE  
RIERDON FORMATION AND TO AUTHORIZE  
THE DRILLING OF A NATURAL GAS TEST  
WELL THEREON AT A LOCATION 802' FNL  
AND 582' FEL OF SAID SECTION.

ORDER NO. 43-2008

Docket No. 350-2007

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The application for Docket 350-2007 was made under A.R.M. 36.22.607 and subsequent to filing the application the applicant drilled and completed the Simons 8-1 well as a Bow Island Formation gas well.
3. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Police Coulee Field is enlarged to include the N½ of Section 8, T37N-R1E, Toole County, Montana, and that said lands are designated a permanent spacing unit for production of gas from the Bow Island Formation.

IT IS FURTHER ORDERED that applicant's Simons 8-1 well located 802' FNL and 582' FEL of said Section 8 is the designated well for the spacing unit and the location of said well is authorized as an exception to the Police Coulee Field rules.

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

BOARD ORDER NO. 43-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
WESTERN NATURAL GAS CO. TO CREATE A  
PERMANENT SPACING UNIT COMPRISED OF  
THE N½ OF SECTION 10, T37N-R1E, TOOLE  
COUNTY, MONTANA FOR ALL FORMATIONS  
FROM THE SURFACE TO THE TOP OF THE  
RIERDON FORMATION AND TO AUTHORIZE  
THE DRILLING OF A NATURAL GAS TEST  
WELL THEREON AT A LOCATION 896' FNL  
AND 1728' FEL OF SAID SECTION.

ORDER NO. 44-2008

Docket No. 351-2007

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The application for Docket 351-2007 was made under A.R.M. 36.22.607 and subsequent to filing the application the applicant drilled and completed the Clark 10-2 well as a Bow Island Formation gas well.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the N½ of Section 10, T37N-R1E, Toole County, Montana, is delineated as a permanent spacing unit for production of gas from the Bow Island Formation.

IT IS FURTHER ORDERED that applicant's Clark 10-2 well located 896' FNL and 1728' FEL of said Section 10 is the designated well for the spacing unit.

BOARD ORDER NO. 44-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
NANCE PETROLEUM CORPORATION TO CREATE  
A PERMANENT SPACING UNIT COMPRISED OF  
ALL OF SECTION 6, T27N-R59E, ROOSEVELT  
COUNTY, MONTANA, FOR THE RATCLIFFE  
FORMATION, AND TO DESIGNATE THE NELSON  
RANCH 1-6HR WELL AS THE AUTHORIZED WELL  
FOR SAID SPACING UNIT.

ORDER NO. 45-2008

Docket No. 373-2007

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 6, T27N-R59E, Roosevelt County, Montana, is designated a permanent spacing unit for production of oil and associated gas from the Ratcliffe Formation.

IT IS FURTHER ORDERED that the Nelson Ranch 1-6HR well is the authorized well for said permanent spacing unit.

BOARD ORDER NO. 45-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
WESTERN NATURAL GAS CO. TO CREATE A  
PERMANENT SPACING UNIT COMPRISED OF  
THE S½ OF SECTION 8, T37N-R1E, TOOLE  
COUNTY, MONTANA FOR ALL FORMATIONS  
FROM THE SURFACE TO THE TOP OF THE  
RIERDON FORMATION, TO AUTHORIZE THE  
DRILLING OF A NATURAL GAS TEST WELL  
THEREON AT A LOCATION 1711' FSL AND  
1200' FEL OF SAID SPACING UNIT, AND TO  
AUTHORIZE APPLICANT TO PRODUCE SAID  
WELL IF COMPLETED AS A WELL CAPABLE  
OF COMMERCIAL NATURAL GAS  
PRODUCTION.

ORDER NO. 46-2008

Docket No. 402-2007

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The application for Docket 402-2007 was made under A.R.M. 36.22.607 and subsequent to filing the application the applicant drilled and completed the Mothershead 8-9 well as a Bow Island Formation gas well.
3. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Police Coulee Field is enlarged to include the S½ of Section 8, T37N-R1E, Toole County, Montana, and that said lands are designated a permanent spacing unit for production of gas from the Bow Island Formation.

IT IS FURTHER ORDERED that applicant's Mothershead 8-9 well located 1711' FSL and 1200' FEL of said Section 8 is the designated well for the spacing unit.

BOARD ORDER NO. 46 -2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF  
FLYING J OIL & GAS INC. TO PERMIT THE  
FLARING OF MORE THAN 100 MCF PER  
DAY OF ASSOCIATED GAS FROM THE  
REUGSEGGER #4N-24H WELL IN SECTION  
24, T36N-R52E, SHERIDAN COUNTY,  
MONTANA, UNTIL FEBRUARY 1, 2008, AS  
AN EXCEPTION TO A.R.M. 36.22.1220.  
(OUTLOOK FIELD)

ORDER NO. 47-2008

Docket No. 423-2007

Report of the Board

The above entitled cause came on regularly for hearing on the 31st day of January, 2008 in the conference room of the Billings Petroleum Club in the Crowne Plaza Billings in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Joan Stahl was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Attorney Gary Broeder, representing Flying J Oil & Gas Inc. (Flying J), presented evidence at the hearing that Bear Paw Energy, LLC has executed a gas purchase agreement with Flying J for the subject well and has begun construction of a pipeline to the well, which should be completed by the end of February 2008.
3. Attorney Joy Stevens, representing the Reugsegger mineral owners, testified the Reugseggers have no objection to continuing the excess flaring authorization until February 29, 2008.
4. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Flying J Oil & Gas Inc. is authorized to flare more than 100 mcf per day of associated gas from the Reugsegger #4N-24H well in Section 24, T36N-R52E, Sheridan County, Montana, until February 29, 2008, as an exception to A.R.M. 36.22.1220. (Outlook Field)

BOARD ORDER NO. 47-2008

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 31st day of January, 2008.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Don Bradshaw, Board Member

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Ronald S. Efta, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

