UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 29 AND 30, T27N-R58E, ROOSEVELT COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/ THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS FROM THE DAISY MAY #2758 31-28H WELL.

ORDER 170-2014

Docket No. 186-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 29 and 30, T27N-R58E, Roosevelt County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Daisy May #2758 31-28H well.

BOARD ORDER NO. 170-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

BOARD OF OIL AND GAS CONSERVATION

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 29 AND 30, T27N-R58E, ROOSEVELT COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS AND AUTHORIZING RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE DAISY MAY #2758 31-28H WELL.

ORDER 171-2014

Docket No. 187-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
 - 2. Applicant testified at the hearing that no risk penalties were being requested.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

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 Sections 29 and 30, T27N-R58E, Roosevelt County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas from the Daisy May #2758 31-28H well.

BOARD ORDER NO. 171-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Ferri H. Perrigo, Evecutive Secretary	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO AUTHORIZE THE DRILLING OF UP TO SIX ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 29 AND 30, T27N-R58E, ROOSEVELT COUNTY, MONTANA, AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 172-2014

Docket No. 188-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Oasis Petroleum, Inc. is authorized to drill up to six additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 29 and 30, T27N-R58E, Roosevelt County, Montana, at any location not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

BOARD ORDER NO. 172-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 18 AND 19, T27N-R58E, ROOSEVELT COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/ THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS FROM THE MILLER GIRLS FEDERAL #2758 42-7H WELL.

ORDER 173-2014

Docket No. 189-2014 & 9-2014 FED

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 18 and 19, T27N-R58E, Roosevelt County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Miller Girls Federal #2758 42-7H well.

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. 173-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

BOARD OF OIL AND GAS CONSERVATION

OF THE STATE OF MONTANA Linda Nelson, Chairman Ronald S. Efta, Board Member John Evans, Board Member Peggy Ames Nerud, Board Member Bret Smelser, Board Member ATTEST:

ORDER 174-2014

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 18 AND 19, T27N-R58E, ROOSEVELT COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS AND AUTHORIZING RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE MILLER GIRLS FEDERAL #2758 42-7H WELL.

Docket No. 190-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. 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, applicant modified its request to exclude the imposition of risk penalties.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

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 Sections 18 and 19, T27N-R58E, Roosevelt County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas from the Miller Girls Federal #2758 42-7H well.

BOARD ORDER NO. 174-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

Cof The State of Montana Linda Nelson, Chairman Ronald S. Efta, Board Member John Evans, Board Member Peggy Ames Nerud, Board Member Bret Smelser, Board Member

BOARD OF OIL AND GAS CONSERVATION

ATTEST:	
Terri H. Perrigo, Executive Secretary	-

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO AUTHORIZE THE DRILLING OF UP TO SIX ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 18 AND 19, T27N-R58E, ROOSEVELT COUNTY, MONTANA, AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 175-2014

Docket No. 191-2014 & 10-2014 FED

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Oasis Petroleum, Inc. is authorized to drill up to six additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 18 and 19, T27N-R58E, Roosevelt County, Montana, at any location not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

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. 175-2014

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

Linda Nelson, Chairman Ronald S. Efta, Board Member John Evans, Board Member Peggy Ames Nerud, Board Member Bret Smelser, Board Member ATTEST:

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 17 AND 20, T27N-R58E, ROOSEVELT COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/ THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS FROM THE COYOTE FEDERAL #2758 43-8H WELL.

ORDER 176-2014

Docket No. 192-2014 & 11-2014 FED

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 17 and 20, T27N-R58E, Roosevelt County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Coyote Federal #2758 43-8H well.

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. 176-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

BOARD OF OIL AND GAS CONSERVATION

OF THE STATE OF MONTANA Linda Nelson, Chairman Ronald S. Efta, Board Member John Evans, Board Member Peggy Ames Nerud, Board Member Bret Smelser, Board Member ATTEST:

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 17 AND 20, T27N-R58E, ROOSEVELT COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS AND AUTHORIZING RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE COYOTE FEDERAL #2758 43-8H WELL.

ORDER 177-2014

Docket No. 193-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. 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 applicant testified it was not seeking risk penalties.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

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 Sections 17 and 20, T27N-R58E, Roosevelt County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas from the Coyote Federal #2758 43-8H well.

BOARD ORDER NO. 177-2014

ATTEST:

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

Linda Nelson, Chairman Ronald S. Efta, Board Member John Evans, Board Member Peggy Ames Nerud, Board Member Bret Smelser, Board Member

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO AUTHORIZE THE DRILLING OF UP TO SIX ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 17 AND 20, T27N-R58E, ROOSEVELT COUNTY, MONTANA, AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 178-2014

Docket No. 194-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Oasis Petroleum, Inc. is authorized to drill up to six additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 17 and 20, T27N-R58E, Roosevelt County, Montana, at any location not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

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. 178-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

BOARD OF OIL AND GAS CONSERVATION

	OF THE STATE OF MONTANA
	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF WHITING OIL AND GAS CORPORATION TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 28 AND 33, T25N-R59E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS AND AUTHORIZING RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE SKOV #31-28-2H WELL.

ORDER 179-2014

Docket No. 195-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

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 Sections 28 and 33, T25N-R59E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202 (2), M.C.A with respect to the Skov #31-28-2H well.

BOARD ORDER NO. 179-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	
	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	<u>G</u>
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
	,
ATTEST:	
Terri H. Perrigo, Executive Secretary	
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UPON THE APPLICATION OF WHITING OIL AND GAS CORPORATION TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 28 AND 33, T25N-R59E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS AND AUTHORIZING RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE SKOV #31-28-3H WELL.

ORDER 180-2014

Docket No. 196-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

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 Sections 28 and 33, T25N-R59E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202 (2), M.C.A with respect to the Skov #31-28-3H well.

BOARD ORDER NO. 180-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

Linda Nelson, Chairman
Ronald S. Efta, Board Member
John Evans, Board Member
Jack King, Board Member
Peggy Ames Nerud, Board Member
Bret Smelser, Board Member

UPON THE APPLICATION OF WHITING OIL AND GAS CORPORATION TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 28 AND 33, T25N-R59E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS AND AUTHORIZING RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE SKOV #31-28-4H WELL.

ORDER 181-2014

Docket No. 197-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

<u>Order</u>

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 Sections 28 and 33, T25N-R59E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202 (2), M.C.A with respect to the Skov #31-28-4H well.

BOARD ORDER NO. 181-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER 182-2014

UPON THE APPLICATION OF XTO ENERGY INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 16 AND 17, T23N-R59E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS AND AUTHORIZING RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE BEAGLE #12X-17 WELL.

Docket No. 205-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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 applicant testified it was not seeking imposition of risk penalties.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

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 Sections 16 and 17, T23N-R59E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas from the Beagle #12X-17 well.

BOARD ORDER NO. 182-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO AUTHORIZE THE DRILLING OF UP TO TWO ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 22 AND 27, T23N-R57E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF.

ORDER 183-2014

Docket No. 207-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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, applicant modified its request to ask for 660' lateral setbacks instead of 500' lateral setbacks.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant is authorized to drill up to two additional horizontal Bakken/Three Forks Formation wells anywhere within the permanent spacing unit comprised of all of Sections 22 and 27, T23N-R57E, Richland County, Montana, but not closer than 200' (heel/toe setback) and 660' (lateral setback) to the boundaries thereof.

BOARD ORDER NO. 183-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER 184-2014

UPON THE APPLICATION OF XTO ENERGY INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 35 AND 36, T28N-R57E, ROOSEVELT COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS; AND FOR AUTHORIZATION TO RECOVER NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE STATE #42X-36C WELL.

Docket No. 174-2013

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

<u>Order</u>

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 Sections 35 and 36, T28N-R57E, Roosevelt County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202 (2), M.C.A with respect to the State #42X-36C well.

BOARD ORDER NO. 184-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
	biet sincisci, board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 22 AND 23, T26N-R52E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS, AND TO AUTHORIZE RECOVERY OF NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2) M.C.A. WITH RESPECT TO THE HEADINGTON FEDERAL #43X-23A WELL.

ORDER 185-2014

Docket No. 121-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Member Jack King recused himself and took no part in the proceedings on this matter. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

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 Sections 22 and 23, T26N-R52E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas.

IT IS FURTHER ORDERED that applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202 (2), M.C.A with respect to the Headington Federal #43X-23A well.

BOARD ORDER NO. 185-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Tarri H. Parrigo, Evacutiva Sacratary	

UPON THE APPLICATION OF XTO ENERGY INC. TO CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 28 AND 33, T23N-R59E, RICHLAND COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS FROM THE P & Q FARMS #21X-28D AND P & Q FARMS #21X-28BXC WELLS.

ORDER 186-2014

Docket No. 122-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. Board member Bret Smelser recused himself and took no part in the proceedings on this matter. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 28 and 33, T23N-R59E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the P & Q Farms #21X-28D and P & Q Farms #21X-28BXC wells.

BOARD ORDER NO. 186-2014

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

BOARD OF OIL AND GAS CONSERVATION

OF THE STATE OF MONTANA Linda Nelson, Chairman Ronald S. Efta, Board Member John Evans, Board Member Jack King, Board Member Peggy Ames Nerud, Board Member ATTEST:

UPON THE APPLICATION OF TAQA NORTH, USA, INC. FOR APPROVAL OF A PILOT ENHANCED RECOVERY PROJECT IN THE BAKKEN FORMATION IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTION 16, T37N-R57E, SHERIDAN COUNTY, MONTANA, FOR A PERIOD NOT TO EXCEED EIGHTEEN (18) MONTHS FROM THE COMMENCEMENT OF INJECTION OPERATIONS.

ORDER 187-2014

Docket No. 243-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of A.R.M. 36.22.1403 have been met.

<u>Order</u>

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

IT IS FURTHER ORDERED that authority to operate the pilot enhanced recovery project expires eighteen (18) months from the start of injection operations.

BOARD ORDER NO. 187-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF STATOIL OIL AND GAS LP TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 25, 26, 35 AND 36, T25N-R59E, RICHLAND COUNTY, MONTANA, ON THE BASIS OF SURFACE ACREAGE, FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS; AND FOR AUTHORIZATION TO RECOVER NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE SUNDHEIM 26-35 #2-H WELL.

ORDER 188-2014

Docket No. 347-2013

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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. Mineral and surface owner Sterling Sundheim was present to testify regarding the application. He said mineral rights information on Statoil exhibit packets has a lot of mistakes in regard to his family minerals. He has brought this up before the Board before and Statoil assured him the mistakes would be corrected. They have not.
- 3. Attorney Scotti Gray requested the application be continued until the Board's August hearing so the mineral information could be corrected.
- 4. Board member Ron Efta suggested that applicant establish unlocatable mineral trusts for owners that cannot be found. Statoil landman Ryan Horn said that would not be a problem to begin that process prior to the August hearing.
- 5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that applicant has not demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

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 August 14, 2014, hearing.

BOARD ORDER NO. 188-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
	biet sincisci, board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF STATOIL OIL AND GAS LP TO CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 22 AND 27, T28N-R57E, ROOSEVELT COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/ THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS FROM THE NELSON 27-22 #1H WELL.

ORDER 189-2014

Docket No. 497-2013 & 3-2014 FED

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 22 and 27, T28N-R57E, Roosevelt County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Nelson 27-22 #1H well.

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.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	8,
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF STATOIL OIL AND GAS LP TO POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 22 AND 27, T28N-R57E, ROOSEVELT COUNTY, MONTANA, ON THE BASIS OF SURFACE ACREAGE FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS AND TO AUTHORIZE RECOVERY OF NON-JOINDER PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A. WITH RESPECT TO THE NELSON 27-22 #1H WELL.

ORDER 190-2014

Docket No. 498-2013

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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, applicant's attorney Scotti Gray requested this application be continued to the Board's August 2014 public hearing.
- 3. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that applicant has not demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

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 August 14, 2014, hearing.

BOARD ORDER NO. 190-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF STATOIL OIL AND GAS LP TO DRILL UP TO FOUR ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 22 AND 27, T28N-R57E, ROOSEVELT COUNTY, MONTANA, SAID WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF.

ORDER 191-2014

Docket No. 499-2013 & 4-2014 FED

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant is authorized to drill up to four additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 22 and 27, T28N-R57E, Roosevelt County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the boundaries thereof.

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. 191-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF WHITING OIL AND GAS CORPORATION TO AMEND BOARD ORDERS 78-2014 AND 336-2011 TO AUTHORIZE THE DRILLING OF UP TO FOUR HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS FROM A COMMON PAD ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 26 AND 35, T25N-R58E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE PROPOSED HORIZONTAL OPERATIONS.

ORDER 192-2014

Docket No. 198-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	Rohald S. Effa, Board Welhoel
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF WHITING OIL AND GAS CORPORATION TO AMEND BOARD ORDER 380-2011 TO AUTHORIZE THE DRILLING OF UP TO FOUR HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS FROM A COMMON PAD ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 6 AND 7, T25N-R59E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE PROPOSED HORIZONTAL OPERATIONS.

ORDER 193-2014

Docket No. 199-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

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

BOARD ORDER NO. 193-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF TRUE OIL LLC TO DRILL THREE ADDITIONAL HORIZONTAL BAKKEN/ THREE FORKS FORMATION WELLS ANYWHERE WITHIN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 3 AND 10, T25N-R58E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF.

CORRECTED ORDER 194-2014

Docket No. 200-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

ATTEST:

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

CF THE STATE OF MONTANA Linda Nelson, Chairman Ronald S. Efta, Board Member John Evans, Board Member Jack King, Board Member Peggy Ames Nerud, Board Member Bret Smelser, Board Member

BOARD OF OIL AND GAS CONSERVATION

ORDER 195-2014

UPON THE APPLICATION OF TRUE OIL LLC TO AMEND BOARD ORDER 175-2011 TO AUTHORIZE THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 4 AND 9, T25N-R58E, RICHLAND COUNTY, MONTANA, BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF, PROVIDED THAT OPERATIONS FOR THE DRILLING OF SUCH WELL COMMENCE WITHIN ONE YEAR OF THE DATE OF THE ORDER PROMULGATED BY THE BOARD. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE INITIAL HORIZONTAL WELL.

Docket No. 201-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of True Oil LLC 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. 195-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Ti I M I G
	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
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	John Evans, Board Member
	John Evans, Doard Member
	I. 1 IV D 1 M 1
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
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ATTEST:	
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T 'H D ' F ' G	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO AMEND BOARD ORDER 119-2010 TO AUTHORIZE THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL A TEMPORARY OVERLAPPING SPACING UNIT COMPRISED OF ALL OF SECTIONS 20, 21, 28 AND 29, T23N-R57E, RICHLAND COUNTY, MONTANA, SAID WELL TO BE ORIENTED IN A NORTH-SOUTH AZIMUTH PROXIMATE TO THE COMMON BOUNDARIES BETWEEN THE EXISTING PERMANENT SPACING UNITS BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) TO THE BOUNDARIES THEREOF, AND TO PROVIDE THAT THE OVERLAPPING TEMPORARY SPACING UNIT BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 196-2014

Docket No. 206-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

BOARD ORDER NO. 196-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
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	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 21, 22, 27 AND 28, T23N-R57E, RICHLAND COUNTY, MONTANA, TO DRILL A BAKKEN/THREE FORKS FORMATION HORIZONTAL WELL ORIENTED IN A NORTH-SOUTH AZIMUTH PROXIMATE TO THE COMMON BOUNDARIES BETWEEN THE EXISTING PERMANENT SPACING UNITS AT A LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) TO THE BOUNDARIES THEREOF, AND TO PROVIDE THAT THE OVERLAPPING TEMPORARY SPACING UNIT BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 197-2014

Docket No. 208-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

BOARD ORDER NO. 197-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO AMEND BOARD ORDER 82-2008 TO AUTHORIZE THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 15 AND 22, T24N-R56E, RICHLAND COUNTY, MONTANA, AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 660' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF.

ORDER 198-2014

Docket No. 209-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

BOARD ORDER NO. 198-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO AMEND BOARD ORDER 81-2008 TO AUTHORIZE THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 14 AND 23, T24N-R56E, RICHLAND COUNTY, MONTANA, AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 660' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF.

ORDER 199-2014

Docket No. 210-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

BOARD ORDER NO. 199-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Linda Person, Chamman
	Ronald S. Efta, Board Member
	John Evans, Board Member
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	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
	Biet omeiser, Board Memoer
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO AMEND BOARD ORDER 19-2009 TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 14, 15, 22 AND 23, T24N-R56E, RICHLAND COUNTY, MONTANA, TO DRILL A BAKKEN/ THREE FORKS FORMATION HORIZONTAL WELL ORIENTED IN A NORTH-SOUTH AZIMUTH PROXIMATE TO THE COMMON BOUNDARIES BETWEEN THE EXISTING PERMANENT SPACING UNITS AT A LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) TO THE BOUNDARIES THEREOF, AND TO PROVIDE THAT THE OVERLAPPING TEMPORARY SPACING UNIT BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 200-2014

Docket No. 211-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

BOARD ORDER NO. 200-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO AMEND BOARD ORDER 18-2009 TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 17, 18, 19 AND 20, T24N-R55E, RICHLAND COUNTY, MONTANA, TO DRILL A BAKKEN/ THREE FORKS FORMATION HORIZONTAL WELL ORIENTED IN A NORTH-SOUTH AZIMUTH PROXIMATE TO THE COMMON BOUNDARIES BETWEEN THE EXISTING PERMANENT SPACING UNITS AT A LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) TO THE BOUNDARIES THEREOF, AND TO PROVIDE THAT THE OVERLAPPING TEMPORARY SPACING UNIT BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 201-2014

Docket No. 212-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

BOARD ORDER NO. 201-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO AMEND BOARD ORDER 72-2008 TO AUTHORIZE THE DRILLING OF A BAKKEN/ THREE FORKS FORMATION HORIZONTAL WELL IN THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 17 AND 20, T24N-R55E, RICHLAND COUNTY, MONTANA, SAID WELL TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 660' (LATERAL SETBACK) TO THE BOUNDARIES THEREOF.

ORDER 202-2014

Docket No. 213-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

BOARD ORDER NO. 202-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	reggy Ames Nerud, Board Memoer
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF XTO ENERGY INC. TO CREATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 16, 17, 20 AND 21, T24N-R55E, RICHLAND COUNTY, MONTANA, TO DRILL A BAKKEN/THREE FORKS FORMATION HORIZONTAL WELL GENERALLY ORIENTED IN A NORTH-SOUTH AZIMUTH PROXIMATE TO THE COMMON BOUNDARIES BETWEEN THE EXISTING PERMANENT SPACING UNITS AT A LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) TO THE BOUNDARIES THEREOF, AND TO PROVIDE THAT THE OVERLAPPING TEMPORARY SPACING UNIT BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 203-2014

Docket No. 214-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

BOARD ORDER NO. 203-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER 204-2014

UPON THE APPLICATION OF EMERALD OIL, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 5 AND 8, T25N-R59E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE PROPOSED HORIZONTAL WELL.

Docket No. 215-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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 business meeting prior to hearing, Board staff Jim Halvorson said the Emerald Oil, Inc. (Emerald) application would be eligible for Default Docket placement IF a time limit had been included in the application. He said the Board accepts 500' from spacing unit boundaries for the first well only when the order has a limited time frame. That time limit has historically limited the time to drill the first well to no more than 1 year after the order or the spacing unit reverts. Emerald 's attorney Don Lee was present at the business meeting and said Emerald is willing to modify its request to add the one year time limit.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

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

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

IT IS FURTHER ORDERED that authorization to drill the proposed well is valid only for one year from the date of this order.

BOARD ORDER NO. 204-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	reggy Ames Nerud, Board Memoer
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER 205-2014

UPON THE APPLICATION OF EMERALD OIL, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 6 AND 7, T25N-R58E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE PROPOSED HORIZONTAL WELL.

Docket No. 216-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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 business meeting prior to hearing, Board staff Jim Halvorson said the Emerald Oil, Inc. (Emerald) application would be eligible for Default Docket placement IF a time limit had been included in the application. He said the Board accepts 500' from spacing unit boundaries for the first well only when the order has a limited time frame. That time limit has historically limited the time to drill the first well to no more than 1 year after the order or the spacing unit reverts. Emerald's attorney Don Lee was present at the business meeting and said Emerald is willing to modify its request to add the one year time limit.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

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

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

IT IS FURTHER ORDERED that authorization to drill the proposed well is valid only for one year from the date of this order.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF EMERALD OIL, INC. TO AMEND BOARD ORDER 335-2011 TO AUTHORIZE THE DRILLING OF A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL IN THE TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 16 AND 21, T25N-R58E, RICHLAND COUNTY, MONTANA, AT A LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE PROPOSED HORIZONTAL WELL.

ORDER 206-2014

Docket No. 217-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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 business meeting prior to hearing, Board staff Jim Halvorson said the Emerald Oil, Inc. (Emerald) application would be eligible for Default Docket placement IF a time limit had been included in the application. He said the Board accepts 500' from spacing unit boundaries for the first well only when the order has a limited time frame. That time limit has historically limited the time to drill the first well to no more than 1 year after the order or the spacing unit reverts. Emerald's attorney Don Lee was present at the business meeting and said Emerald is willing to modify its request to add the one year time limit.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

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

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

BOARD ORDER NO. 206-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Jack King, Board Memoer
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
	,
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER 207-2014

UPON THE APPLICATION OF EMERALD OIL, INC. TO PARTIALLY VACATE BOARD ORDER 151-2003 TO CREATE A NEW TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 1, 12 AND 13, T24N-R58E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES OF SAID THREE-SECTION SPACING UNIT. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE PROPOSED HORIZONTAL WELL.

Docket No. 218-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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 business meeting prior to hearing, Board staff Jim Halvorson said the Emerald Oil, Inc. (Emerald) application would be eligible for Default Docket placement IF a time limit had been included in the application. He said the Board accepts 500' from spacing unit boundaries for the first well only when the order has a limited time frame. That time limit has historically limited the time to drill the first well to no more than 1 year after the order or the spacing unit reverts. Emerald's attorney Don Lee was present at the business meeting and said Emerald is willing to modify its request to add the one year time limit.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

<u>Order</u>

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

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Cerri H. Perrigo, Executive Secretary	

ORDER 208-2014

UPON THE APPLICATION OF EMERALD OIL, INC. TO PARTIALLY VACATE BOARD ORDER 151-2003 TO CREATE A NEW TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 2, 11 AND 14, T24N-R58E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES OF SAID THREE-SECTION SPACING UNIT. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE PROPOSED HORIZONTAL WELL.

Docket No. 219-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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 business meeting prior to hearing, Board staff Jim Halvorson said the Emerald Oil, Inc. (Emerald) application would be eligible for Default Docket placement IF a time limit had been included in the application. He said the Board accepts 500' from spacing unit boundaries for the first well only when the order has a limited time frame. That time limit has historically limited the time to drill the first well to no more than 1 year after the order or the spacing unit reverts. Emerald's attorney Don Lee was present at the business meeting and said Emerald is willing to modify its request to add the one year time limit.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

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

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

BOARD ORDER NO. 208-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	reggy Ames Nerud, Board Memoer
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER 209-2014

UPON THE APPLICATION OF EMERALD OIL, INC. TO PARTIALLY VACATE BOARD ORDER 151-2003 TO CREATE A NEW TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 6, 7 AND 18, T24N-R59E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES OF SAID THREE-SECTION SPACING UNIT. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE PROPOSED HORIZONTAL WELL.

Docket No. 220-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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 business meeting prior to hearing, Board staff Jim Halvorson said the Emerald Oil, Inc. (Emerald) application would be eligible for Default Docket placement IF a time limit had been included in the application. He said the Board accepts 500' from spacing unit boundaries for the first well only when the order has a limited time frame. That time limit has historically limited the time to drill the first well to no more than 1 year after the order or the spacing unit reverts. Emerald's attorney Don Lee was present at the business meeting and said Emerald is willing to modify its request to add the one year time limit.
- 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

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

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

BOARD ORDER NO. 209-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER 210-2014

UPON THE APPLICATION OF EMERALD OIL, INC. TO PARTIALLY VACATE BOARD ORDER 151-2003 TO CREATE A NEW TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 2, 11 AND 14, T24N-R59E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES OF SAID THREE-SECTION SPACING UNIT. APPLICANT WILL APPLY FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF THE PROPOSED HORIZONTAL WELL.

Docket No. 221-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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 business meeting prior to hearing, Board staff Jim Halvorson said the Emerald Oil, Inc. (Emerald) application would be eligible for Default Docket placement IF a time limit had been included in the application. He said the Board accepts 500' from spacing unit boundaries for the first well only when the order has a limited time frame. That time limit has historically limited the time to drill the first well to no more than 1 year after the order or the spacing unit reverts. Emerald's attorney Don Lee was present at the business meeting and said Emerald is willing to modify its request to add the one year time limit.
- 3. The evidence indicates that granting the application as modified will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Section 82-11-201, M.C.A. have been met.

Order

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

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE APPLICATION OF CITATION OIL AND GAS CORPORATION TO DRILL THE BSU E634 SALTWATER DISPOSAL WELL IN THE NW¼SE¼ OF SECTION 34, T32N-R19E, BLAINE COUNTY, MONTANA, (BOWES FIELD), FOR INJECTION INTO THE NISKU FORMATION AT A DEPTH OF APPROXIMATELY 4,429 FEET, AND THE DUPEROW FORMATION AT A DEPTH OF APPROXIMATELY 4,572 FEET. AN AQUIFER EXEMPTION IS BEING REQUESTED AS THE INJECTION ZONES CONTAIN WATER WITH LESS THAN 10,000 MG/L TOTAL DISSOLVED SOLIDS.

ORDER 211-2014

Docket No. 178-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of A.R.M. 36.22.1403 have been met.

<u>Order</u>

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

BOARD ORDER NO. 211-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	reggy Ames Nerud, Board Memoer
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE BOARD'S OWN MOTION TO REQUIRE KELLY OIL AND GAS LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT BE REQUIRED TO PLUG ITS INJECTION WELLS AND/OR WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO PAY THE:

A) ANNUAL INJECTION WELL FEE OF \$200 EACH FOR THREE WELLS IN SECTION 11N-R30E, MUSSELSHELL COUNTY, MONTANA: THE R. SHELHAMER 1A IN SECTION 8; THE STATE 1 IN SECTION 16 AND THE STATE E-2 IN SECTION 36; B) \$100 PER WELL FINE FOR FAILURE TO PAY WHICH WAS

ASSESSED AT THE BOARD'S FEBRUARY 26, 2014 BUSINESS MEETING; AND

C) \$1000 FINE FOR FAILURE TO PAY THE \$900 IN FEES AND FINES, WHICH WAS ASSESSED AT THE BOARD'S APRIL 30, 2014 BUSINESS MEETING.

THE TOTAL NOW DUE IS \$1900.

Docket No. 245-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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. UIC Program Director George Hudak said if Kelly Oil and Gas LLC paid the \$1900 this docket could be dismissed.
- 3. Mr. Kelly Kelly of Kelly Oil & Gas LLC was present at the hearing and gave the Board's Executive Secretary a check for \$1900.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that this docket is dismissed.

ORDER 212-2014

BOARD ORDER NO. 212-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE BOARD'S OWN MOTION TO REQUIRE BENSUN ENERGY, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO FILE MONTHLY PRODUCTION AND INJECTION WELL REPORTS AND FAILURE TO REMEDIATE WELL SITE AND TANK BATTERY VIOLATIONS AT THE FOLLOWING WELL SITES:

BN 12-11 IN SECTION 11, T9N-R58E, FALLON COUNTY, MONTANA BN 11-11 IN SECTION 11, T9N-R58E, FALLON COUNTY, MONTANA LOUCKS 1 SWD IN SECTION 35, T36N-R52E, SHERIDAN COUNTY, MONTANA

Docket No. 246-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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 Board's compliance officer John Gizicki said all of Bensun Energy, LLC's monthly reports have been submitted and all fines have been paid. There are still issues at the well locations: the BN 11-11 needs the well sign changed; the BN 12-11 needs a berm around the tanks and around the well and tank battery; and there is general garbage at all locations.
- 3. Mr. Lance Bensun of Bensun Energy LLC was present at the hearing and said they are currently working to rectify the problems at the well locations.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that applicant demonstrated the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have not been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Show-Cause Hearing for Bensun Energy, LLC be continued until the Board's August 14, 2014 public hearing.

IT IS FURTHER ORDERED that if all well locations are in compliance by the July 10, 2014 filing deadline for the August hearing staff has authority to dismiss this docket.

ORDER 213-2014

BOARD ORDER NO. 213-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTENDED	
ATTEST:	
Terri H. Perrigo, Executive Secretary	

ORDER 214-2014

UPON THE BOARD'S OWN MOTION TO REQUIRE WINDY BUTTE RECLAMATION FACILITY, LLC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO FILE PRODUCTION REPORTS AND TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING. IN ACCORDANCE WITH BOARD POLICY THE AMOUNT DUE IS INCREASED TO \$120. THIS DOCKET WILL BE DISMISSED IF PAYMENT AND REPORTS ARE RECEIVED PRIOR TO THE HEARING. FAILURE TO APPEAR AT THE SHOW CAUSE HEARING OR TO MAKE SUITABLE ARRANGEMENTS PRIOR TO SAID HEARING SUBJECTS WINDY BUTTE RECLAMATION FACILITY, LLC. TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

Docket No. 247-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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. No one appeared at the hearing for Windy Butte Reclamation Facility, LLC.
- 3. The Board's compliance officer John Gizicki said all reports have been submitted but the administrative penalty has not been paid.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that applicant demonstrated the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have not been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Show-Cause Hearing for Windy Butte Reclamation Facility, LLC is continued until the Board's August 14, 2014 public hearing; but if the fine is paid by the July 10, 2014 filing deadline for the August hearing staff has authority to dismiss the docket.

BOARD ORDER NO. 214-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Linda Person, Chamman
	Ronald S. Efta, Board Member
	John Evans, Board Member
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	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
	Biet omeiser, Board Memoer
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE BOARD'S OWN MOTION TO REQUIRE XOIL INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO FILE PRODUCTION REPORTS AND TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING. IN ACCORDANCE WITH BOARD POLICY THE AMOUNT DUE IS INCREASED TO \$140. THIS DOCKET WILL BE DISMISSED IF PAYMENT AND REPORTS ARE RECEIVED PRIOR TO THE HEARING. FAILURE TO APPEAR AT THE SHOW CAUSE HEARING OR TO MAKE SUITABLE ARRANGEMENTS PRIOR TO SAID HEARING SUBJECTS XOIL, INC. TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 215-2014

Docket No. 248-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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. No one appeared at the hearing on behalf of XOil, Inc.
- 3. The Board's compliance officer John Gizicki said no reports have been filed and the penalty of \$140 has not been received. He recommended a \$1000 fine be levied for failure to appear, and that this matter be continued to the Board's August 2014 public hearing.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant demonstrated the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have not been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that XOil, Inc. is fined \$1000 for failure to appear at the Board's June 19, 2014 public hearing. This fine is in addition to the \$140 administrative penalty already due for failure to file reports.

IT IS FURTHER ORDERED that the Show-Cause Hearing for XOIL Inc. is continued until the Board's August 14, 2014 public hearing.

BOARD ORDER NO. 215-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
ATTEST.	
Terri H. Perrigo, Executive Secretary	

UPON THE BOARD'S OWN MOTION TO REQUIRE WEXCO EXPLORATION, LLC TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING AND FAILURE TO PAY THE FINE ASSESSED FOR NOT APPEARING AT THE BOARD'S MAY 1, 2014 PUBLIC HEARING. IN ACCORDANCE WITH BOARD POLICY, THE AMOUNT DUE IS NOW \$1120 (\$120 FOR DELINQUENT REPORTS AND \$1000 FOR FAILURE TO APPEAR). THIS DOCKET WILL BE DISMISSED IF PAYMENT AND REPORTS ARE RECEIVED PRIOR TO THE HEARING. FAILURE TO APPEAR AT THE SHOW CAUSE HEARING OR TO MAKE SUITABLE ARRANGEMENTS PRIOR TO SAID HEARING SUBJECTS WEXCO EXPLORATION, LLC TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 216-2014

Docket No. 180-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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. No one appeared at the hearing on behalf of Wexco Exploration, LLC.
- 3. The Board's compliance officer John Gizicki said no reports have been filed and the \$1120 has not been paid.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that applicant demonstrated the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have not been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Show-Cause Hearing for Wexco Exploration, LLC (Wexco) is continued until the Board's August 14, 2014 public hearing, where Wexco shall appear and show cause why it should not be required to immediately plug its wells.

BOARD ORDER NO. 216-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

	Linda Nelson, Chairman
	Ronald S. Efta, Board Member
	John Evans, Board Member
	Jack King, Board Member
	Peggy Ames Nerud, Board Member
	Bret Smelser, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	

UPON THE BOARD'S OWN MOTION TO REQUIRE PRODUCED WATER SOLUTIONS, INC. TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR FAILURE TO PAY THE ADMINISTRATIVE PENALTY ASSESSED FOR DELINQUENT REPORTING AND FAILURE TO PAY THE FINE ASSESSED FOR NOT APPEARING AT THE BOARD'S MAY 1, 2014 PUBLIC HEARING. IN ACCORDANCE WITH BOARD POLICY, THE AMOUNT DUE IS NOW \$1120 (\$120 FOR DELINQUENT REPORTS AND \$1000 FOR FAILURE TO APPEAR.) THIS DOCKET WILL BE DISMISSED IF PAYMENT AND REPORTS ARE RECEIVED PRIOR TO THE HEARING. FAILURE TO APPEAR AT THE SHOW CAUSE HEARING OR TO MAKE SUITABLE ARRANGEMENTS PRIOR TO SAID HEARING SUBJECTS PRODUCED WATER SOLUTIONS, INC. TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 217-2014

Docket No. 181-2014

Report of the Board

The above entitled cause came on regularly for hearing on June 19, 2014 at the Events Center at Richland County Fairgrounds in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith, was absent from the hearing. 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. No one appeared at the hearing on behalf of Produced Water Solutions, Inc.
- 3. The Board's compliance officer John Gizicki said no reports have been submitted and the \$1120 due has not been paid.
- 4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that applicant demonstrated the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have not been met.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Show-Cause Hearing for Produced Water Solutions, Inc. (Produced Water) is continued until the Board's August 14, 2014 public hearing, where Produced Water shall appear and show cause why it should not be required to immediately plug its wells.

BOARD ORDER NO. 217-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 19th day of June, 2014.

Linda Nelson, Ch	airman
Ronald S. Efta, Bo	oard Member
John Evans, Board	l Member
John Evans, Board	1 Memoer
Jack King, Board	Member
Peggy Ames Nerue	d, Board Member
Bret Smelser, Boa	rd Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	