

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

UPON THE APPLICATION OF SOMONT OIL COMPANY, INC.  
TO VACATE ALL WELL SPACING LOCATIONS AND SETBACK  
REQUIREMENTS WITH REGARD TO THE SWIFT AND MADISON  
FORMATIONS UNDERLYING LOTS 1, 2, & 3, NE $\frac{1}{4}$ NW $\frac{1}{4}$  (W $\frac{1}{2}$ NW $\frac{1}{4}$ ,  
NW $\frac{1}{4}$ SW $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$ ) OF SECTION 31, T35N-R1W, CONTAINING  
150.34 ACRES, TOOLE COUNTY, MONTANA, AND TO AUTHORIZE  
THE INJECTION OF WATER OR GAS INTO THE SWIFT AND  
MADISON FORMATIONS FOR THE PURPOSE OF ENHANCED  
RECOVERY IN ACCORDANCE WITH ARM 36.22.1229.

ORDER 342-2014

Docket No. 345-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude 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 Somont Oil Company, Inc. is authorized to vacate all well spacing locations and setback requirements with regard to the Swift and Madison Formations underlying Lots 1, 2, & 3, NE $\frac{1}{4}$ NW $\frac{1}{4}$  (W $\frac{1}{2}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 31, T35N-R1W, containing 150.34 acres, Toole County, Montana with the exception of a 220' setback from the exterior boundary of the unit.

IT IS FURTHER ORDERED that the injection of water or gas into the Swift and Madison formations for the purpose of enhanced recovery in accordance with ARM 36.22.1229 is authorized, subject to stipulations on the Sundry Notice.

BOARD ORDER NO. 342-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF SOMONT OIL COMPANY, INC.  
TO ADD THE SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> AND THE NE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> OF SECTION 36,  
T35N-R2W, AND LOT 2 (SW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>) OF SECTION 31,  
T35N-R1W TO THE EXISTING AREA PERMIT FOR ENHANCED  
RECOVERY IN THE SWIFT AND MADISON FORMATIONS  
(KEVIN SUNBURST FIELD). AN AQUIFER EXEMPTION IS  
BEING REQUESTED AS THE INJECTION ZONE CONTAINS  
WATER WITH LESS THAN 10,000 MG/L TOTAL DISSOLVED  
SOLIDS.

ORDER 343-2014

Docket No. 346-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Mr. Duane Enneberg of Porker Oil was present to protest the application. He operates stripper wells in adjoining the lands included in the application. He is concerned injection of water and pressure build-up in the formation will cause producing wells and old plugged wells on their leases to start leaking.
3. Mr. Charles Jansky and attorney Don Lee were present representing Somont Oil Company, Inc. (Somont). Somont discussed why they didn't think this was an issue and if it proved to be one, they would hold themselves accountable.
4. 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 82-11-111, M.C.A. have been met.

Order

BOARD ORDER NO. 343-2014

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Somont Oil Company, Inc. is authorized to add the SE $\frac{1}{4}$ NE $\frac{1}{4}$  and the NE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 36, T35N-R2W, and Lot 2 (SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 31, T35N-R1W to the existing area permit for enhanced recovery in the Swift and Madison Formations (Kevin Sunburst Field).

IT IS FURTHER ORDERED that if, as a result of injection, upward fluid migration occurs through the wellbore of any well within the Area Injection Permit or within  $\frac{1}{2}$  mile of the Area Injection Permit boundary, the causal injection well(s) shall be immediately discontinued until remedial work approved by the Board is performed.

IT IS FURTHER ORDERED that an aquifer exemption must be approved by the U.S. Environmental Protection Agency before injection can begin.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO  
DESIGNATE A PERMANENT SPACING UNIT COMPRISED  
OF ALL OF SECTIONS 15, 16, 21, AND 22, T27N-R59E,  
ROOSEVELT COUNTY, MONTANA, FOR PRODUCTION OF  
OIL AND ASSOCIATED NATURAL GAS FROM THE  
BAKKEN/THREE FORKS FORMATION FROM APPLICANT'S  
FALCON FED BREWER 2759 44-9 5B WELL.

ORDER 344-2014

Docket No. 350-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude 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 15, 16, 21, and 22, T27N-R59E, Roosevelt County, Montana is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken/Three Forks Formation from the Falcon Fed Brewer 2759 44-9 5B well.

BOARD ORDER NO. 344-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO  
POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT  
COMPRISED OF ALL OF SECTIONS 15, 16, 21, AND 22,  
T27N-R59E, ROOSEVELT COUNTY, MONTANA, FOR  
PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS  
FROM THE BAKKEN/THREE FORKS FORMATION AND TO  
AUTHORIZE THE RECOVERY OF NON-CONSENT PENALTIES  
IN ACCORDANCE WITH SECTION 82-11-202(2), M.C.A.,  
WITH RESPECT TO APPLICANT'S FALCON FED BREWER  
2759 44-9 5B WELL.

ORDER 345-2014

Docket No. 351-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude 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 15, 16, 21, and 22, T27N-R59E, Roosevelt County, Montana are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURHTER ORDERED that the applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Falcon Fed Brewer 2759 44-9 5B well.

BOARD ORDER NO. 345-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator



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

UPON THE APPLICATION OF OMIMEX PETROLEUM, INC. TO  
VACATE AND RESCIND BOARD ORDERS 44-2014, 45-2014,  
AND 46-2014, AND BLM ORDERS 25-2012 FED, 1-2014 FED,  
AND 2-2014 FED. THESE ORDERS WERE ISSUED AT THE  
REQUEST OF OASIS PETROLEUM, INC. AND INVOLVE THE  
PERMANENT SPACING UNIT COMPRISED OF SECTIONS 25,  
26, 35, AND 36, T27N-59E, ROOSEVELT COUNTY, MONTANA.

ORDER 346-2014

Docket No. 361-2014 & 3-2015 FED

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. Member John Evan 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. Mr. Brian Lee stated his client, Omimex Petroleum, Inc. (Omimex), have withdrawn their request to rescind the temporary spacing request. Mr. Brian Lee stated that Oasis Petroleum did not list Omimex in the certificate of mailing, and the election letter they did receive was sent out the same day the well was spudded. Mr. John Lee represented Oasis Petroleum, Inc. (Oasis), in the protest of this application. Mr. John Lee asked why Omimex waited for a year and a half to make application to vacate the earlier orders. Mr. Lee also stated that the prior Board Orders should stand because an election letter was sent and acknowledged as received by Omimex Petroleum, Inc.
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 conclude that the applicant has not demonstrated the requirements of Section 82-11-202, M.C.A. have been met.

BOARD ORDER NO. 346-2014

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 February 26, 2015, public hear.

IT IS FURTHER ORDERED that each party will need to file legal briefs. They have 30 calendar days to file opening briefs, 15 calendar days to file response briefs, and 15 calendar days to file reply briefs.

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 Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

I dissent,

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Jack King, Board Member

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

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO  
POOL ALL INTERESTS IN THE PERMANENT SPACING  
UNIT COMPRISED OF ALL OF SECTIONS 25, 26, 35, AND 36,  
T27N-R59E, ROOSEVELT COUNTY, MONTANA, FOR  
PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS  
FROM THE BAKKEN/THREE FORKS FORMATION AND TO  
AUTHORIZE THE RECOVERY OF NON-CONSENT PENALTIES  
IN ACCORDANCE WITH SECTION 82-11-202(2), M.C.A., WITH  
RESPECT TO APPLICANT'S REVEILLE FEDERAL #2759 14-26H well.

ORDER 347-2014

Docket No. 352-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. Member John Evan 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. Mr. John Lee, attorney for applicant, stated that according to statute if an owner chooses after written demand to not pay their share of the development then the Board must impose the cost of risk penalties. Mr. Brian Lee, attorney for Omimex Petroleum, Inc., protested this application. Mr. Lee disagreed and stated that the statute should be read as a whole, not in individual sections.
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 conclude that the 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 the application of Oasis Petroleum, Inc. is continued to the February 26, 2015, public hearing.

BOARD ORDER NO. 347-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

I dissent,

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Jack King, Board Member

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

UPON THE APPLICATION OF ANADARKO MINERALS, INC. TO  
DRILL A VERTICAL NISKU, LODGEPOLE, MISSION CANYON,  
CHARLES A, B, C, AND D, FORMATION OIL AND GAS WELL  
AT AN APPROXIMATE STRUCTURAL INTERCEPT OF 660' FEL  
AND 1100' FSL IN THE SE¼ SEC 17, T30N-R45E, VALLEY  
COUNTY, MONTANA, WITH AN ADDITIONAL 150' TOLERANCE,  
AS AN EXCEPTION TO A.R.M. 36.22.701.

ORDER 348-2014

Docket No. 357-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude 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 Anadarko Minerals, Inc. is authorized to drill a vertical Nisku, Lodgepole, Mission Canyon, Charles A, B, C, and D, Formation oil and gas well at an approximate structural intercept of 660' FEL and 1100' FSL in the SE¼ Sec 17, T30N-R45E, Valley County, Montana, with an additional 150' tolerance, as an exception to A.R.M. 36.22.701.

BOARD ORDER NO. 348-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO  
POOL ALL INTERESTS ON A SURFACE ACREAGE PARTICIPATION  
BASIS IN THE PERMANENT SPACING UNIT COMPRISED OF ALL  
OF SECTIONS 5 AND 8, T25N-R55E, RICHLAND COUNTY,  
MONTANA, FOR THE PRODUCTION OF OIL AND ASSOCIATED  
NATURAL GAS FROM THE BAKKEN/THREE FORKS FORMATION  
AND TO AUTHORIZE THE RECOVERY OF NON-CONSENT  
PENALTIES IN ACCORDANCE WITH SECTION 82-11-202(2), M.C.A.,  
WITH RESPECT TO APPLICANT'S TAMMY 2-8H WELL.

ORDER 349-2014

Docket No. 358-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude that the applicant demonstrated the requirements of Section 82-12-202, 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 5 and 8, T25N-R55E, Richland County, Montana, are hereby pooled on a surface acreage participation basis for the production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that the applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Tammy 2-8H well.

BOARD ORDER NO. 349-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator



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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO  
CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF  
SECTIONS 25 AND 36, T27N-R52E, RICHLAND COUNTY, MONTANA,  
FOR PRODUCTION OF HORIZONTAL BAKKEN/THREE FORKS  
FORMATION OIL AND ASSOCIATED NATURAL GAS FROM  
APPLICANT'S DODGER 1-36H WELL.

ORDER 350-2014

Docket No. 322-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. Member Jack King recused himself and took not further part in 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 conclude 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 25 and 36, T27N-R52E, Richland County, Montana, is designated a permanent spacing unit for production of horizontal Bakken/Three Forks Formation oil and associated natural gas from the Dodger 1-36H 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. 350-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO  
POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT  
COMPRISED OF ALL OF SECTIONS 25 AND 36, T27N-R52E, RICHLAND  
COUNTY, MONTANA, ON A SURFACE ACREAGE PARTICIPATION  
BASIS FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS  
FROM THE BAKKEN/THREE FORKS FORMATION AND TO RECOVER  
NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION  
82-11-202 (2), M.C.A. WITH RESPECT TO THE DODGER 1-36H WELL.

ORDER 351-2014

Docket No. 323-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. Member Jack King recused himself and took no further part in 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 conclude 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 25 and 36, T27N-R52E, Richland County, Montana, are hereby pooled on a surface acreage participation basis for the production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that the applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Dodger 1-36H well.

BOARD ORDER NO. 351-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO  
CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF  
SECTIONS 17 AND 20, T24N-R53E, RICHLAND COUNTY, MONTANA,  
FOR PRODUCTION OF HORIZONTAL BAKKEN/THREE FORKS  
FORMATION OIL AND ASSOCIATED NATURAL GAS FROM  
APPLICANT'S CHERRY 2-17H WELL.

ORDER 352-2014

Docket No. 324-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. Member Jack King recused himself and took no further part in 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 conclude 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 17 and 20, T24N-R53E, Richland County, Montana, is designated a permanent spacing unit for production of horizontal Bakken/Three Forks Formation oil and associated natural gas from the Cherry 2-17H well.

BOARD ORDER NO. 352-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO  
POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT  
COMPRISED OF ALL OF SECTIONS 17 AND 20, T24N-R53E, RICHLAND  
COUNTY, MONTANA, ON A SURFACE ACREAGE PARTICIPATION  
BASIS FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS  
FROM THE BAKKEN/THREE FORKS FORMATION AND TO RECOVER  
NON-CONSENT PENALTIES IN ACCORDANCE WITH SECTION  
82-11-202 (2), M.C.A. WITH RESPECT TO THE CHERRY 2-17H WELL.

ORDER 353-2014

Docket No. 325-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. Member Jack King recused himself and took no further part in 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 if they find any currently unlocatable interest owners and obtain a lease they will not apply risk penalties to those interests.
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 conclude 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, T24N-R53E, Richland County, Montana, are hereby pooled on a surface acreage participation basis for the production of oil and associated natural gas from the Bakken/Three Forks Formation.

IT IS FURTHER ORDERED that the applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Cherry 2-17H well.

BOARD ORDER NO. 353-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator



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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO  
CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL OF  
SECTIONS 4, 5, 8, AND 9, T24N-R53E, RICHLAND COUNTY,  
MONTANA, FOR PRODUCTION OF HORIZONTAL BAKKEN/  
THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL  
GAS FROM APPLICANT'S JUNE BR 1-5 HSL WELL.

ORDER 354-2014

Docket No. 326-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude 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 4, 5, 8, and 9, T24N-R53E, Richland County, Montana, is designated a permanent spacing unit for production of horizontal Bakken/Three Forks Formation oil and associated natural gas from the June BR 1-5 HSL well.

BOARD ORDER NO. 354-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO  
POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT  
COMPRISED OF ALL OF SECTIONS 21 AND 28, T25N-R55E, RICHLAND  
COUNTY, MONTANA, ON A SURFACE ACREAGE PARTICIPATION  
BASIS FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS  
FROM THE BAKKEN/THREE FORKS FORMATION AND TO RECOVER  
NON-CONSENT PENALTIES WITH SECTION 82-11-202 (2), M.C.A.  
WITH RESPECT TO THE BARBARA 3-28H AND BARBARA 4-28H WELLS.

ORDER 355-2014

Docket No. 327-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. Member Jack King recused himself and took no further action in 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 if they find any currently unlocatable interest owners and obtain a lease they will not apply risk penalties to those interests.
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 conclude 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 21 and 28, T25N-R55E, Richland County, Montana, are hereby pooled on a surface acreage participation basis for the production of oil and associated natural gas from the Bakken/Three Forks Formation.

BOARD ORDER NO. 355-2014

IT IS FURTHER ORDERED that the applicant is authorized to recover non-consent penalties in accordance with Section 82-11-202(2), M.C.A., with respect to the Barbara 3-28H and Barbara 4-28H wells.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO  
AMEND BOARD ORDER 107-2009 TO AUTHORIZE THE DRILLING  
OF AN ADDITIONAL HORIZONTAL BAKKEN/THREE FORKS  
FORMATION WELL IN THE PERMANENT SPACING UNIT  
COMPRISED OF ALL OF SECTIONS 29 AND 32, T25N-R55E,  
RICHLAND COUNTY, MONTANA, AT ANY LOCATION NOT  
CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500'  
(LATERAL SETBACKS) TO THE EXTERIOR BOUNDARIES  
THEREOF.

ORDER 356-2014

Docket No. 328-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude 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 Board Order 107-2009 is amended to authorize the drilling of an additional horizontal Bakken/Three Forks Formation well in the permanent spacing unit comprised of all of Sections 29 and 32, T25N-R55E, Richland 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 the applicant is required to submit an application to vacate Order 157-2009, which established an Overlapping Temporary Spacing Unit comprised of all of sections 29, 30, 31, and 32, T25N-R55E, Richland County, Montana.

BOARD ORDER NO. 356-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO DESIGNATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 16, 17, 20, AND 21, T29N-R59E, ROOSEVELT COUNTY, MONTANA, FOR THE PURPOSES OF DRILLING A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL AT A LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) ORIENTED IN A NORTH-SOUTH AZIMUTH PROXIMATE TO THE COMMON BOUNDARY BETWEEN EXISTING PERMANENT SPACING UNITS AND THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 357-2014

Docket No. 347-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude 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 Oasis Petroleum, Inc. 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. 357-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator



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

UPON THE APPLICATION OF OASIS PETROLEUM, INC. TO DESIGNATE AN OVERLAPPING TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 28, 29, 32, AND 33, T29N-R59E, ROOSEVELT COUNTY, MONTANA, FOR THE PURPOSES OF DRILLING A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL AT A LOCATION NOT CLOSER THAN 200' (HEEL/TOE SETBACK) ORIENTED IN A NORTH-SOUTH AZIMUTH PROXIMATE TO THE COMMON BOUNDARY BETWEEN EXISTING PERMANENT SPACING UNITS AND THE OVERLAPPING TEMPORARY SPACING UNIT SHALL BE LIMITED TO PRODUCTION FROM THE PROPOSED HORIZONTAL WELL.

ORDER 358-2014

Docket No. 348-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude 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 Oasis Petroleum, Inc. 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. 358-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE APPLICATION OF XTO ENERGY, INC. TO  
AMEND BOARD ORDER 84-2008 TO AUTHORIZE  
THE DRILLING OF A HORIZONTAL BAKKEN/THREE  
FORKS FORMATION WELL AT ANY LOCATION NOT  
CLOSER THAN 200' (HEEL/TOE SETBACK)/660'  
(LATERAL SETBACK) WITHIN THE PERMANENT  
SPACING UNIT COMPRISED OF ALL OF SECTIONS 20  
AND 29, T24N-R56E, RICHLAND COUNTY, MONTANA.

ORDER 359-2014

Docket No. 354-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana conclude 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 XTO Energy, Inc. is granted as applied for.

BOARD ORDER NO. 359-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

\_\_\_\_\_  
James W. Halvorson, Administrator

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

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 FILE CORRECT PRODUCTION REPORTS. THIS DOCKET WILL BE DISMISSED IF THE CORRECT 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 361-2014

Docket No. 362-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. No one appeared at the hearing on behalf of Wexco Exploration, LLC.
3. The Board's compliance officer, John Gizicki, stated Wexco Exploration, LLC (Wexco) had sent in incorrect production reports following an earlier show-cause hearing. After repeated unsuccessful attempts to get the reports corrected the matter was scheduled for hearing. Mr. Gizicki recommended a \$1,000.00 for failure to appear and continuing the Docket to the February hearing with the addition that Wexco be required to also show cause why the well should not be plugged and abandoned.
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 conclude that respondent has not demonstrated that 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 Wexco Exploration, LLC is fined \$1,000.00.

BOARD ORDER NO. 361-2014

IT IS FURTHER ORDERED that the show cause hearing for Wexco Exploration, LLC is continued to the February 26, 2015, public hearing where they shall appear and show cause why it shouldn't be required to plug and abandon the Guenther 2-8 well.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE BOARD'S OWN MOTION TO REQUIRE K2 AMERICA CORPORATION 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 NOW IS \$220. 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 K2 AMERICA CORPORATION TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 362-2014

Docket No. 338-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. No one appeared at the hearing on behalf of K2 America Corporation (K2).
3. The Board's compliance officer, John Gizicki, stated he had been in contact with K2 and a company representative had indicated that payment for the fines had been mailed. Mr. Gizicki said no payment had been received. Mr. Gizicki recommended a fine in the amount of \$1,000.00 for failure to appear and continuing the Docket to the February hearing with the addition that K2 appear and show cause why its wells should not be plugged and abandoned.
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 conclude that respondent has not demonstrated that the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

BOARD ORDER NO. 362-2014

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that K2 America Corporation is fined 1,000.00 for not appearing before the Board.

IT IS FURTHER ORDERED that the show cause hearing for K2 America Corporation is continued to the February 26, 2015, public hearing where they shall appear and show cause, why it shouldn't immediately plug and abandon its wells.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator



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

UPON THE BOARD'S OWN MOTION TO REQUIRE P&P INDUSTRIES LLC 1  
TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT SHOULD NOT  
IMMEDIATELY PLUG AND ABANDON ITS INDIAN MOUND 1 WELL,  
API: 25-083-21377, T23N, R55E, SECTION 15, 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 OCTOBER 16, 2014 PUBLIC HEARING.

ORDER 363-2014

Docket No. 339-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. No one appeared at the hearing on behalf of P&P Industries LLC 1.
3. The Board's compliance officer, John Gizicki, spoke with a company representative who indicated that an investor is planning on buying the well including the condition they will pay the fine. So far nothing has been received. Mr. Gizicki recommended scheduling this for bond forfeiture at the Board's February 26, 2015 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 conclude that respondent has not demonstrated that 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 the Show-Cause Hearing for P&P Industries LLC 1 is continued until the Board's February 26, 2015 public hearing, where P&P Industries LLC 1 shall appear and show cause why its plugging and reclamation bond should not be forfeited for failure to plug and abandon the Indian Mound 1 well located in T23N, R55E, section 15.

BOARD ORDER NO. 363-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE BOARD'S OWN MOTION TO REQUIRE ROBINSON OIL COMPANY, 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 \$460. 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 ROBINSON OIL COMPANY, LLC TO FURTHER PENALTIES AS PRESCRIBED BY BOARD POLICY.

ORDER 364-2014

Docket No. 340-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Attorney Don Lee appeared on behalf of the Robinson Oil Company, LLC. Mr. Lee stated the manager died two years ago and his brother has been running the company. Mr. Lee stated that the brother is also now extremely ill. Rank Oil Company has offered to assume ownership of the wells. Mr. Lee is asking the Board to dismiss all fines because of the circumstances.
3. Staff confirmed that the necessary reports had been received.
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 conclude that respondent has not demonstrated the requirements of Title 82, Chapter 11, M.C.A. and A.R.M. 36.22.101, et.seq. have been met.

BOARD ORDER NO. 364-2014

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all fines are dismissed.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Wayne Smith, Vice-Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Peggy Ames Nerud, Board Member

ATTEST:

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James W. Halvorson, Administrator

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

UPON THE BOARD'S OWN MOTION TO REQUIRE HAWLEY HYDROCARBONS TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY ADDITIONAL PENALTIES SHOULD NOT BE IMPOSED FOR ONGOING VIOLATIONS AT ITS COPLEY HABER 1 WELL, T27N, R4W, SECTION 9, AS ADDRESSED IN LETTERS FROM THE BOARD STAFF TO HAWLEY HYDROCARBONS DATED JULY 24, 2014, AND AUGUST 14, 2014, AND IN THE BOARD'S BUSINESS MEETING ON AUGUST 13, 2014.

ORDER 365-2014

Docket No. 341-2014

Report of the Board

The above entitled cause came on regularly for hearing on December 4, 2014 at the Board's hearing room at 2535 St. Johns Avenue in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Bret Smelser was absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Merrell Hawley appeared on behalf of Hawley Hydrocarbons and would like the Board to reconsider the fine.
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 conclude that the respondent has not 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 the fine for Hawley Hydrocarbons is reduced to \$2,500.00.

BOARD ORDER NO. 365-2014

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 4th day of December, 2014.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Wayne Smith, Vice-Chairman

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John Evans, Board Member

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Peggy Ames Nerud, Board Member

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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Jack King, Board Member

ATTEST:

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James W. Halvorson, Administrator