

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

IN THE MATTER OF THE APPLICATION OF
ENCANA ENERGY RESOURCES INC. TO
DRILL FOUR EAGLE FORMATION NATURAL
GAS WELLS WITHIN SECTION 36, T35N-R20E,
BLAINE COUNTY, MONTANA, AS AN EXCEPTION
TO A.R.M. 36.22.702 AND BOARD ORDER 62-93.
THE FOUR WELLS APPLICANT PROPOSES TO DRILL
ARE: ENCANA 7-36, APPROXIMATELY 1400' FNL AND
1370' FEL; ENCANA 1-36, APPROXIMATELY 340' FNL
AND 305' FEL; ENCANA 3-36, APPROXIMATELY
335' FNL AND 1787' FWL; AND ENCANA 12-36,
APPROXIMATELY 2600' FSL AND 390' FWL.

ORDER NO. 154-2002

Docket No. 196-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant is authorized to drill the captioned wells at the requested locations.

IT IS FURTHER ORDERED that all proceeds from said well be held in escrow until permanent spacing has been established and that applicant must apply for permanent spacing within ninety (90) days of first production but not later than one year from the date of completion.

BOARD ORDER NO. 154-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
ENCANA ENERGY RESOURCES INC. TO DRILL
A NATURAL GAS TEST WELL APPROXIMATELY
390' FSL AND 479' FWL OF SECTION 30, T35N-R21E,
BLAINE COUNTY, MONTANA, AS AN EXCEPTION
TO A.R.M. 36.22.702 AND BOARD ORDER 62-93.

ORDER NO. 155-2002

Docket No. 197-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant is authorized to drill a natural gas test well approximately 390' FSL and 479' FWL of Section 30, T35N-R21E, Blaine County, Montana, as an exception to A.R.M. 36.22.702 and Board Order 62-93.

IT IS FURTHER ORDERED that all proceeds from said well be held in escrow until permanent spacing has been established and that applicant must apply for permanent spacing within ninety (90) days of first production from the subject well but not later than one year from the date of completion.

BOARD ORDER NO. 155-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
ENCANA ENERGY RESOURCES INC. TO DRILL
ITS PROPOSED ENCANA 8-20 WELL
APPROXIMATELY 2552' FNL AND 600' FEL
OF SECTION 20, T35N-R21E, BLAINE COUNTY,
MONTANA, AS AN EXCEPTION TO A.R.M.
36.22.702 AND BOARD ORDER 62-93.

ORDER NO. 156-2002

Docket No. 198-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that applicant is authorized to drill its proposed EnCana 8-20 test well approximately 2552' FNL and 600' FEL of Section 20, T35N-R21E, Blaine County, Montana.

IT IS FURTHER ORDERED that all proceeds from said well be held in escrow until permanent spacing has been established and that applicant must apply for permanent spacing within ninety (90) days of first production from the subject well but not later than one year from the date of completion.

BOARD ORDER NO. 156-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
LUFF EXPLORATION COMPANY TO TERMINATE
THE NORTH SIOUX PASS FIELD RATCLIFFE
SPACING UNIT COMPRISED OF THE NW¼ OF
SECTION 7, T26N-R58E AND THE NE¼ OF
SECTION 12, T26N-R57E, RICHLAND COUNTY,
MONTANA, AND TO CREATE A NEW SPACING
UNIT COMPRISED OF THE N½ OF SECTION 7,
T26N-R58E AS TO THE RATCLIFFE FORMATION
ONLY OR TO CREATE A 160-ACRE RATCLIFFE
SPACING UNIT COMPRISED OF THE NW¼ OF
SECTION 7, T26N-R58E ONLY.

ORDER NO. 157-2002

Docket No. 199-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent, and Board Member Jack King recused himself. 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 submitted a partial withdrawal of its original application after publication but prior to the hearing date. In its partial withdrawal, applicant requested that a spacing unit comprised of the N½ of Section 7, T26N-R58E, Richland County, Montana, no longer be considered by the Board.
3. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the North Sioux Pass Field Ratcliffe spacing unit comprised of the NW¼ of Section 7, T26N-R58E and the NE¼ of Section 12, T26N-R57E, Richland County, Montana, is terminated.

IT IS FURTHER ORDERED that a new spacing unit for the Ratcliffe Formation comprised of the NW¼ of Section 7, T26N-R58E, Richland County, Montana, is hereby established.

BOARD ORDER NO. 157-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
TO DRILL A SECOND EAGLE FORMATION
GAS WELL IN SECTION 19, T34N-R19E,
BLAINE COUNTY, MONTANA, AT A
LOCATION 400' FNL AND 1135' FEL OF
SAID SECTION 19 WITH A 100-FOOT
TOLERANCE FOR TOPOGRAPHIC REASONS
AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 158-2002

Docket No. 200-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J. Burns Brown Operating Company 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. 158-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
BLACK HAWK RESOURCES TO DESIGNATE
THE SW ¼ OF SECTION 27, THE SE¼ OF
SECTION 28, THE NE¼ OF SECTION 33 AND
THE NW¼ OF SECTION 34, ALL IN T26N-R15E,
CHOUTEAU COUNTY, MONTANA, AS A
640-ACRE TEMPORARY SPACING UNIT FOR
THE EAGLE FORMATION AND TO DRILL AN
EAGLE GAS TEST WELL IN SAID TEMPORARY
SPACING UNIT 168' FNL AND 109' FEL OF
SECTION 33, T26N-R15E, WITH A 200 FOOT
TOLERANCE FOR TOPOGRAPHIC REASONS.

ORDER NO. 159-2002

Docket No. 201-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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 location submitted in the application for hearing could not be drilled due to surface obstructions and the applicant requested a new location of 500' FNL and 150' FEL of Section 33, T26N-R15E, Chouteau County, Montana.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the 640-acre temporary spacing unit described in the caption is hereby established.

IT IS FURTHER ORDERED that applicant is authorized to drill an Eagle gas test well in said temporary spacing unit at a location 500' FNL and 150' FEL of Section 33, T26N-R15E, with a 200-foot tolerance to the North only and on the seismic line for topographic reasons.

BOARD ORDER NO. 159-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
OCEAN ENERGY, INC. TO DRILL ITS
U.S. #22-10-32-17 WELL 2234' FSL AND
1600' FEL OF SECTION 22, T32N-R17E,
HILL COUNTY, MONTANA, AS AN ADDITIONAL
WELL IN THE SPACING UNIT COMPRISED
OF SAID SECTION 22 AS AN EXCEPTION TO
THE TIGER RIDGE FIELD RULES SET FORTH
IN BOARD ORDERS 10-70 AND 46-78.

ORDER NO. 160-2002

Docket No. 202-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 160-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
OCEAN ENERGY, INC. TO DRILL AN
ADDITIONAL EAGLE-VIRGELLE FORMATION
GAS WELL IN THE SPACING UNIT
COMPRISED OF THE S ½ OF SECTION 36,
T27N-R16E, CHOUTEAU COUNTY,
MONTANA, AT A LOCATION 1105' FSL
AND 2208' FWL OF SAID SECTION 36
WITH A 200 FOOT TOLERANCE FOR
TOPOGRAPHIC REASONS AS AN EXCEPTION
TO BOARD ORDER 26-74 WHICH ESTABLISHED
THE BULLWACKER FIELD.

ORDER NO. 161-2002

Docket No. 203-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 161-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
OCEAN ENERGY, INC. TO DRILL UP TO
FOUR EAGLE SAND FORMATION GAS
WELLS AT LOCATIONS ANYWHERE
WITHIN SECTION 9, T26N-R16E,
CHOUTEAU COUNTY, MONTANA, BUT
NOT CLOSER THAN 990 FEET TO THE
SPACING UNIT BOUNDARY AS AN
EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 162-2002

Docket No. 204-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Ocean Energy, 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. 162-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jerry Kennedy, Board Member

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

Gary Willis, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
OCEAN ENERGY, INC. TO DRILL ITS
CREMANS #35-5-31-14 WELL 1965' FNL
AND 960' FWL OF SECTION 35, T31N-R14E,
HILL COUNTY, MONTANA, WITH A 200
FOOT TOLERANCE FOR TOPOGRAPHIC
REASONS AS AN EXCEPTION TO BOARD
ORDER 10-70 WHICH ENLARGED AND
REDELINEATED THE TIGER RIDGE FIELD.

ORDER NO. 163-2002

Docket No. 205-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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 exception location requested is for a fee well that is proposed to be drilled within an existing spacing unit established by Board Order 10-70. Because the S ½ of Section 35 consists of Indian land, these lands are covered under the above-mentioned Order 10-70, which established the field boundaries for the Tiger Ridge Field under the Bureau of Land Management's (BLM) Order 3-90 FED. Since the spacing unit includes both Indian and non-Indian land, an Indian Communitization Agreement must be submitted.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

IT IS FURTHER ORDERED that an Indian communitization agreement for spacing units which contain both Indian and non-Indian 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. 163-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
ATHENA ENERGY LLC TO DRILL A BOW
ISLAND GAS WELL 1750' FSL AND 1970' FEL
OF SECTION 15, T34N-R4E, GRANDVIEW
FIELD, LIBERTY COUNTY, MONTANA;
AND
IN THE MATTER OF THE APPLICATION OF
TAYLOR WELL OPERATING TO DRILL A
BOW ISLAND GAS WELL 1750' FSL AND
1971' FEL OF SECTION 15, T34N-R4E,
GRANDVIEW FIELD, LIBERTY COUNTY,
MONTANA.

ORDER NO. 164-2002

Dockets No. 206-2002 and
207-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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. These two applications for a permit to drill a Bow Island gas well in Section 15, T34N-R4E, Grandview Field, Liberty County, Montana, were referred to the Board by the Administrator because they arrived at the Board's office on the same day. Both applications were delivered by mail. Applicant Taylor Well Operating had a previous permit to drill its well but it expired after six months. Applicant Athena Energy LLC has not had an opportunity to drill its proposed well.
3. The evidence indicates that, to encourage exploration and development in a timely manner, the Board should give Athena Energy LLC a permit which will expire in three months to drill its well and, should it fail to do so, then grant a three-month permit to Taylor Well Operating to drill its proposed well. Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Athena Energy LLC to drill a Bow Island gas well 1750' FSL and 1970' FEL of Section 15, T34N-R4E, Grandview Field, Liberty County, Montana, is granted subject to the conditions hereinafter set forth.

IT IS FURTHER ORDERED that, said permit shall expire three months from the date of this Order and, if a well has not been drilled by that time, then Taylor Well Operating will be given a permit to drill its proposed well in said Section 15 and that permit will also expire in three months after issuance if no well has been drilled.

BOARD ORDER NO. 164-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
STAGHORN ENERGY, LLC TO DESIGNATE
THE SW¼ OF SECTION 15, T34N-R57E,
SHERIDAN COUNTY, MONTANA, AS A
160-ACRE PERMANENT SPACING UNIT
FOR THE MADISON FORMATION AND
DESIGNATING THE CHRISTENSEN 1-A
WELL AS THE PERMITTED WELL WITHIN
SAID SPACING UNIT. [LOWELL FIELD]

ORDER NO. 165-2002

Docket No. 156-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the SW¼ of Section 15, T34N-R57E, Sheridan County, Montana, is designated as a 160-acre permanent spacing unit for the Madison Formation and it is further ordered that the Christensen 1-A well is designated as the permitted well within said spacing unit.

BOARD ORDER NO. 165-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CAM WEST II L.P. FOR A CLASS II INJECTION
WELL PERMIT FOR ITS HELLEGAARD A-2 WELL
IN THE SENW OF SECTION 8, T37N-R57E,
SHERIDAN COUNTY, MONTANA. [FLAT LAKE FIELD]

ORDER NO. 166-2002

Docket No. 158-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. Chairman David Ballard recused himself. 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 source of fluids to be injected will be produced from the Nisku Unit Flat Lake, Ratcliffe and Dakota makeup water. The zone into which injection will occur is the Nisku Formation at a depth of 7990 to 8020 feet. No aquifer exemption will be requested since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.
3. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Cam West II L.P. is granted but injection will not be permitted until administrative authorization is received.

BOARD ORDER NO. 166-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CAM WEST II L.P. FOR A CLASS II INJECTION
WELL PERMIT FOR IT'S A. MCKINNON #1
WELL IN THE SENW OF SECTION 9,
T37N-R57E, SHERIDAN COUNTY, MONTANA.
[FLAT LAKE FIELD]

ORDER NO. 167-2002

Docket No. 159-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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 source of fluids to be injected will be produced water from the Nisku Unit Flat Lake, Ratcliffe and Dakota makeup water. The zone into which injection will occur is the Nisku Formation at a depth of 7990 to 8020 feet. An aquifer exemption will not be required since the proposed injection zone contains water with greater than 10,000 ppm of total dissolved solids.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Cam West II L.P. is granted but injection will not be permitted until administrative authorization is received.

BOARD ORDER NO. 167-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice Chairman

Jack King, Board Member

Allen Kolstad , Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CAM WEST II L.P. FOR A CLASS II INJECTION
WELL PERMIT FOR ITS WARD 10-H WELL
IN THE NW¼ OF SECTION 11, T37N-R57E,
SHERIDAN COUNTY, MONTANA. [FLAT LAKE FIELD]

ORDER NO. 168-2002

Docket No. 160-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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 source of fluids to be injected will be produced water from the Nisku Unit Flat Lake, Ratcliffe and Dakota makeup water. The zone into which injection will occur is the Nisku Formation at a depth of 7990 to 8020 feet. No aquifer exemption will be required since the proposed zone contains water with greater than 10,000 ppm total dissolved solids.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of oil and gas conservation in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Cam West II L.P. is granted as applied for but no injection will be permitted until administrative authorization is received.

BOARD ORDER NO. 168-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CAM WEST II L.P. FOR A CLASS II INJECTION
PERMIT FOR ITS HANSEN 2-3 WELL IN THE
SWSE OF SECTION 11, T37N-R57E, SHERIDAN
COUNTY, MONTANA. [FLAT LAKE FIELD]

ORDER NO. 169-2002

Docket No. 161-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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 source of fluids to be injected will be produced water from the Nisku Unit Flat Lake, Ratcliffe and Dakota makeup water. The zone into which injection will occur is the Nisku Formation at a depth of 7990 to 8020 feet. No aquifer exemption is required as part of the application because the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Cam West II L.P. is granted as applied for but no injection will be permitted until administrative authorization is received.

BOARD ORDER NO. 169-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
CAM WEST II L.P. FOR A CLASS II INJECTION
PERMIT FOR ITS JOYES STATE 4 WELL IN THE
NENW OF SECTION 16, T37N-R57E, SHERIDAN
COUNTY, MONTANA. [FLAT LAKE FIELD]

ORDER NO. 170-2002

Docket No. 162-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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 source of fluids to be injected is produced water from the Nisku Unit Flat Lake, Ratcliffe and Dakota makeup water. The zone into which injection will occur is the Nisku Formation at a depth of 7990 to 8020 feet. An aquifer exemption will not be required since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.
3. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Cam West II L.P. is granted as applied for but injection will not be permitted until administrative authorization is received.

BOARD ORDER NO. 170-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
GREAT NORTHERN DRILLING CO., INC. TO
ESTABLISH A 320-ACRE TEMPORARY
SPACING UNIT CONSISTING OF THE W $\frac{1}{2}$ SW $\frac{1}{4}$
OF SECTION 4, THE E $\frac{1}{2}$ SE $\frac{1}{4}$ OF SECTION 5,
THE E $\frac{1}{2}$ NE $\frac{1}{4}$ OF SECTION 8 AND THE W $\frac{1}{2}$ NW $\frac{1}{4}$
OF SECTION 9, ALL IN T34N-R4E, LIBERTY
COUNTY, MONTANA, FOR ALL ZONES FROM
THE SURFACE OF THE EARTH TO THE TOP
OF THE RIERDON FORMATION. [GRANDVIEW FIELD]

ORDER NO. 171-2002

Docket No. 177-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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. Applicant proposes to drill its proposed well either 150' FWL and 150' FSL of Section 4, T34N-R4E, or 150' FEL and 150' FSL of Section 5, T34N-R4E, both in Liberty County, Montana, and requests a 50 foot tolerance for topographic reasons.
3. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana the temporary spacing unit described in the caption to this docket is approved.

IT IS FURTHER ORDERED that applicant may drill the well for this temporary spacing unit either 150' FWL and 150' FSL of said Section 4 or 150' FEL and 150' FSL of said Section 5 with a 50 foot tolerance for topographic reasons.

IT IS FURTHER ORDERED that applicant shall apply for permanent spacing within ninety (90) days of completion of a successful well.

BOARD ORDER NO. 171-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE BOARD'S OWN
MOTION REQUIRING FULTON FUEL
COMPANY TO APPEAR AND SHOW CAUSE
WHY IT SHOULD BE ALLOWED TO
CONTINUE OPERATING THE ROSSMILLER
FEY 12-27 WELL (API # 101-07398, FRED &
GEORGE CREEK FIELD) WHICH IS NOT ON ITS BOND.

ORDER NO. 172-2002

Docket No. 195-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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 the Rossmiller Fey 12-27 well should be placed on the Fulton Fuel Company bond and Fulton Fuel Company should be allowed to continue operating said Rossmiller Fey 12-27 well.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Rossmiller Fey 12-27 well is hereby placed on the Fulton Fuel Company bond and staff is authorized to approve the Change of Operator necessary for that transaction.

IT IS FURTHER ORDERED that Fulton Fuel is authorized to continue operating said Rossmiller Fey 12-27 well.

BOARD ORDER NO. 172-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kols tad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE APPLICATION OF
J.M. HUBER CORPORATION TO DRILL TWO
OIL AND GAS WELLS TO A TOTAL DEPTH
OF 5550 FEET TO TEST THE FRONTIER
FORMATION AT THE FOLLOWING DESCRIBED
LOCATIONS IN GALLATIN COUNTY, MONTANA:

ORDER NO. 173-2002

1) HUFFINE 4-13 2-7 WELL IN THE NWNW OF
SECTION 13, T2S-R7E AT A LOCATION 370' FNL
AND 550' FWL; AND 2) MCMILLAN 9-14 2-7
WELL IN THE NESE OF SECTION 14, T2S-R7E
AT A LOCATION 3628' FNL AND 550' FEL.

Docket No. 209-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were absent. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J.M. Huber Corporation is granted.

IT IS FURTHER ORDERED that the following stipulations are in effect for the drilling of the above-mentioned wells:

- 1) No coalbed methane production or testing shall take place and convention drill stem testing is limited to 50 barrels of water.
- 2) The wells are to be drilled for exploration and testing only.
- 3) Rig crews and other routine crews must carpool to well sites to the maximum extent possible.
- 4) Individuals working on-site must be properly trained in drill safety, well control and first aid.
- 5) Delivery of goods and crew changes must be avoided during school bus hours.
- 6) Mufflers must be installed on all equipment and no engine exhausts may be pointed toward buildings
- 7) A fire plan reviewed by Bridger Canyon and Fort Ellis Fire Departments must be in place before drilling commences.

BOARD ORDER NO. 173-2002

IT IS FURTHER ORDERED that this order will not become effective until September 15, 2002.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

IN THE MATTER OF THE BOARD'S OWN
MOTION TO REMOVE LOT 8 OF
SECTION 11, LOTS 1 AND 5 OF
SECTION 10, AND THE SESE OF
SECTION 3, ALL IN T33N-R55E,
SHERIDAN COUNTY, MONTANA,
FROM THE EAST GREEN COULEE FIELD
AND TO VACATE THE SPACING UNIT
ORIGINALLY DESCRIBED AS THE
SWSW OF SECTION 2, THE SESE OF
SECTION 3, LOTS 1 AND 5 OF
SECTION 10 AND LOTS 4 AND 8 OF
SECTION 11, ALL IN T33N-R55E,
SHERIDAN COUNTY, MONTANA.

ORDER NO. 174-2002

Docket No. 210-2002

Report of the Board

The above entitled cause came on regularly for hearing on the 8th day of August, 2002, in the Billings Petroleum Club, 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. Members Jerry Kennedy and Gary Willis were 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 adopting the action set forth in this Order will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Lot 8 of Section 11, Lots 1 and 5 of Section 10, and the SESE of Section 3, all in T33N-R55E, Sheridan County, Montana, are removed from the East Green Coulee Field.

IT IS FURTHER ORDERED that the spacing unit originally described as the SWSW of Section 2, the SESE of Section 3, Lots 1 and 5 of Section 10, and Lots 4 and 8 of Section 11, all in T33N-R55E, Sheridan County, Montana, is vacated.

BOARD ORDER NO. 174-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 8th day of August, 2002.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

David Ballard, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Allen Kolstad, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary