

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
BOARD OF OIL AND GAS CONSERVATION
BILLINGS, MONTANA
October 29 and 30, 2008

CONSERVATION AND PREVENTION)
OF WASTE OF OIL AND GAS)

NOTICE OF PUBLIC HEARING

The Board of Oil and Gas Conservation will hold its regular business meeting at 2:00 p.m., Wednesday, October 29, 2008, in the conference room of the Petroleum Club on the 22nd floor of the Crowne Plaza in Billings, Montana. The agenda for that meeting is:

1. Call to order
2. Approval of minutes of September 10, 2008 business meeting
3. Opportunity for public comment
4. Bond report
5. Financial report
6. Proposed 2009 hearing schedule
7. Default docket
8. Staff reports
9. Other business
10. Exempt staff evaluations

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below beginning at 8:00 a.m. Thursday, October 30, 2008, in the conference room of the Petroleum Club on the 22nd floor of the Crowne Plaza in Billings, Montana. For more information or to request accommodation for a disability, please contact Terri Perrigo at (406) 444-6970 or Tom Richmond at (406) 656-0040 as soon as possible before the scheduled hearing.

Docket 338-2008

APPLICANT: ENCORE OPERATING, L.P. - FALLON COUNTY, MONTANA

Upon the application of **Encore Operating, L.P.** to approve and certify the following wells in Fallon County, Montana, as horizontally recompleted wells entitled to applicable severance tax reductions through the Montana Department of Revenue and to certify production decline rates. Applicant requests placement on the Default Docket with automatic continuance if a protest or request for hearing is received.

API Number	Well Name	Location	Completion Date
25-025-21878	Unit 23X-29BH	Sec 29, T7N-R60E	July 2008
25-025-21411	Unit 33-19RH	Sec 19, T4N-R62E	August 2008
25-025-21314	Unit 33-19BH	Sec 19, T7N-R60E	August 2008

Docket 339-2008

APPLICANT: BAYSWATER EXPLORATION & PRODUCTION, LLC - ROSEBUD COUNTY, MONTANA

Upon the application of **Bayswater Exploration & Production, LLC** to convert the CSTSU C-310 well (API # 25-087-05353) located in the NW¼SE¼ of Section 10, T11N-R32E, Rosebud County, Montana (Sumatra Field) to a Class II injection well in the Tyler Formation. Staff notes this application is eligible for placement on the Default Docket.

Docket 340-2008

APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **Enerplus Resources (USA) Corporation** to create a temporary spacing unit comprised of all of Sections 2 and 11, T23N-R57E, Richland County, Montana, to drill a well (the Natasha-TBD #2-2-HLID3) at a location not closer than 660 feet to the boundaries of said spacing unit as an exception to Board Order 17-2005 and A.R.M. 36.22.702(3). Applicant states it will apply for permanent spacing within 90 days of successful completion. Applicant requests placement on the Default Docket

Docket 341-2008

APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **Enerplus Resources (USA) Corporation** to drill a vertical Bakken Formation test well at a location 2350' FNL and 300' FEL of Section 3, T26N-R51E, Richland County, with a 50-foot topographic tolerance as an exception to A.R.M. 36.22.702. Applicant will not produce the proposed well commercially until further order of the Board. Applicant requests placement on the Default Docket.

Docket 342-2008

APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **Enerplus Resources (USA) Corporation** to drill an additional horizontal Bakken formation well in the permanent spacing unit comprised of all of Section 30, T25N-R55E, Richland County, Montana, to be located anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket 343-2008

APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **Enerplus Resources (USA) Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Sections 4 and 9, T24N-R55E, Richland County, Montana, to be located anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket 344-2008

APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **Enerplus Resources (USA) Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Sections 23 and 26, T24N-R57E, Richland County, Montana, anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket 345-2008

APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **Enerplus Resources (USA) Corporation** to drill an additional horizontal Bakken Formation well in the permanent spacing unit comprised of all of Sections 24 and 25, T24N-R57E, Richland County, Montana, anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant requests placement on the Default Docket.

Docket 346-2008

APPLICANT: ENERPLUS RESOURCES (USA) CORPORATION – RICHLAND COUNTY, MONTANA

Upon the application of **Enerplus Resources (USA) Corporation** to convert the Burning Tree State 36-2-H well (API # 25-083-21881) located in the NW¼NE¼ of Section 36, T25N-R54E, Richland County, Montana (Elm Coulee Field), to a Class II injection well for carbon dioxide injection into the Bakken Formation.

Docket 347-2008

APPLICANT: MCR, LLC – LIBERTY COUNTY, MONTANA

Upon the application of **MCR, LLC** to drill a Madison Formation gas well in the Mt. Lilly Field at a location 1410' FWL and 1059' FNL of Section 20, T37N-R5E, Liberty County, Montana, as an exception to Board Order 37-1963, and to produce natural gas from said well if it is completed as a commercial gas well.

Docket 348-2008

APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - BLAINE COUNTY, MONTANA

Upon the application of **Devon Energy Production Company, L.P.** to create a temporary spacing unit comprised of the E½ of Section 24, T27N-R19E and Lots 1, 2, 3, 4, E½W½ (W½) of Section 19, T27N-R20E, Blaine County, Montana, to drill a Judith River/Eagle Formation gas well (the State # 24-09-27-19) within said spacing unit at a location 1850' FSL and 300' FEL of said Section 24, with a 200-foot topographic tolerance, as an exception to A.R.M. 36.22.702 and Board Order 45-1976. Applicant requests placement on the Default Docket.

Docket 349-2008

APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - BLAINE COUNTY, MONTANA

Upon the application of **Devon Energy Production Company, L.P.** to create a temporary spacing unit comprised of the S½ of Section 12 and the N½ of Section 13, T27N-R19E, Blaine County, Montana, to drill a Judith River/Eagle Formation gas well (the State # 13-02-27-19) at a location approximately 650' FNL and 2200' FEL of said Section 13, with a 100-foot topographic tolerance, as an exception to Board Order 45-1976. Applicant states it will apply for permanent spacing within 90 days of successful completion. Applicant requests placement on the Default Docket.

Docket 350-2008

APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - BLAINE COUNTY, MONTANA

Upon the application of **Devon Energy Production Company, L.P.** to create a temporary spacing unit comprised of the S½ of Section 25 and the N½ of Section 36, T27N-R19E, Blaine County, Montana, to drill a Judith River/Eagle Formation gas well (the State # 25-14-27-19) at a location approximately 800' FSL and 2500' FWL of said Section 25, with a 200-foot topographic tolerance, as an exception to A.R.M. 36.22.702. Applicant states it will apply for permanent spacing within 90 days of successful completion. Applicant placement on the Default Docket.

Docket 351-2008

APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - BLAINE COUNTY, MONTANA

Upon the application of **Devon Energy Production Company, L.P.** to create a temporary spacing unit comprised of the SE¼ of Section 23, the SW¼ of Section 24, the NW¼ of Section 25 and the NE¼ of Section 26, T27N-R19E, Blaine County, Montana, to drill a Judith River/Eagle/Niobrara/Carlile Shale and Greenhorn Formation gas well (the State # 26-01-27-19) at a location approximately 375' FNL and 150' FEL of said Section 26, with a 200-foot topographic tolerance, as an exception to A.R.M. 36.22.702. Applicant states it will apply for permanent spacing within 90 days of successful completion. Applicant requests placement on the Default Docket.

Docket 352-2008

APPLICANT: DEVON ENERGY PRODUCTION COMPANY, L.P. - HILL COUNTY, MONTANA

Upon the application of **Devon Energy Production Company, L.P.** to create a temporary spacing unit comprised of the S½ of Section 11 and the N½ of Section 14, T31N-R16E, Hill County, Montana, to drill a Judith River/Eagle/Niobrara/Carlile Shale and Greenhorn Formation gas well (the Molitor # 14-02-31-16) at an approximate location 225' FNL and 1990' FEL of said Section 14, with a 200-foot topographic tolerance, as an exception to Board Orders 17-1967 and 23-1968. Applicant states it will apply for permanent spacing within 90 days of successful completion. Applicant requests placement on the Default Docket.

Docket 353-2008

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **Klabzuba Oil & Gas, Inc.** to create a temporary spacing unit comprised of the SE¼ of Section 23 and the SW¼ of Section 24, T35N-R12E, Hill County, Montana to drill a gas well (the Peterson # 24-13-35-12B) to test prospective zones and formations from the surface down to the base of the Second White Specks Formation within said tract at a proposed location 1016' FSL and 330' FWL of said Section 24, with a 100-foot topographic tolerance in any direction except south, as an exception to A.R.M. 36.22.702. Applicant states it will apply for permanent spacing within 90 days of successful well completion. Applicant requests placement on the Default Docket.

Docket 354-2008

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **Klabzuba Oil & Gas, Inc.** to create a temporary spacing unit comprised of the E½ of Section 19 and the W½ of Section 20, T35N-R17E, Hill County, Montana, to drill a gas well (the East End # 19-8-35-17) to test the Eagle and Niobrara Formations within said tract at a proposed location 2385' FNL and 140' FEL in said Section 19, with a 75-foot topographic tolerance, as an exception to A.R.M. 36.22.702. Applicant states it will apply for permanent spacing within 90 days of successful well completion. Applicant requests placement on the Default Docket.

Docket 355-2008

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **Klabzuba Oil & Gas, Inc.** to create a temporary spacing unit comprised of the W½ of Section 20, T35N-R17E, Hill County, Montana, to drill a gas well (the East End # 20-12-35-17C) to test the Eagle and Niobrara Formations within said tract at a proposed location 2440' FSL and 1350' FWL of said Section 20, with a 75-foot topographic tolerance, as an exception to A.R.M. 36.22.702 and any applicable Board Orders. Applicant states it will apply for permanent spacing within 90 days of successful well completion. Applicant requests placement on the Default Docket.

Docket 356-2008

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **Klabzuba Oil & Gas, Inc.** to create a temporary spacing unit comprised of the N½ of Section 36, T35N-R19E, Blaine County, Montana, to drill an Eagle Formation gas well (the State # 36-2-35-19) at a proposed location 820' FNL and 1960' FEL of said Section 36, with a 100-foot topographic tolerance in any direction except north, as an exception to A.R.M. 36.22.702. Applicant states it will apply for permanent spacing within 90 days of successful well completion. Applicant requests placement on the Default Docket.

Docket 357-2008

APPLICANT: KLABZUBA OIL & GAS, INC. – HILL COUNTY, MONTANA

Upon the application of **Klabzuba Oil & Gas, Inc.** to create a permanent spacing unit comprised of all of Section 7, T35N-R17E, Hill County, Montana, for production of Niobrara Formation gas through the wellbore of the Bessette # 7-3-35-17 well.

Docket 358-2008

APPLICANT: KLABZUBA OIL & GAS, INC. – BLAINE COUNTY, MONTANA

Upon the application of **Klabzuba Oil & Gas, Inc.** to drill an additional Eagle Sand/Niobrara Formation gas well (the Baltrusch # 15-4-33-17B) within the temporary spacing unit comprised of all of Section 15, T33N-R17E, Blaine County, Montana, at a location 990' FNL and 990' FWL of said Section 15, with a 100-foot tolerance in any direction not closer to the spacing unit boundary, and to commingle production from said formations in the wellbore, as an exception to A.R.M. 36.22.702. Applicant requests placement on the Default Docket.

Docket 359-2008

APPLICANT: XTO ENERGY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc.** to vacate Board Order 71-2008, to create an overlapping temporary spacing unit comprised of all of Sections 24 and 25, T24N-R54E, Richland County, Montana, to drill an additional Bakken Formation horizontal well generally oriented in a north-south azimuth between the existing wells at a location not closer than 660 feet to the boundaries of said spacing unit as an exception to Board Orders 248-2003 and 249-2003 and A.R.M. 36.22.702, and to provide that the requested temporary spacing unit is limited to production from said proposed horizontal Bakken Formation well. Applicant requests placement on the Default Docket.

Docket 360-2008

APPLICANT: XTO ENERGY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc.** to vacate Board Orders 73-2008 and 103-2008, to create an overlapping temporary spacing unit comprised of all of Sections 18 and 19, T24N-R55E, Richland County, Montana, to drill an additional Bakken Formation horizontal well generally oriented in a north-south azimuth between the existing wells at a location not closer than 660 feet to the boundaries of said spacing unit as an exception to Board Orders 3-2003 and 90-2003, and to provide that the requested temporary spacing unit is limited to production from said proposed horizontal Bakken Formation well. Applicant requests placement on the Default Docket.

Docket 361-2008

APPLICANT: XTO ENERGY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc.** to create an overlapping temporary spacing unit comprised of all of Sections 17, 18, 19 and 20, T24N-R55E, Richland County, Montana, to drill an additional Bakken Formation horizontal well generally oriented in a north-south azimuth proximate to the section lines between the existing permanent spacing units at a location not closer than 660 feet to the boundaries of said overlapping temporary spacing unit as an exception to Board Orders 3-2003, 90-2003 and 308-2003, and to provide that the requested temporary spacing unit is limited to production from said proposed horizontal Bakken Formation well. Applicant requests placement on the Default Docket.

Docket 362-2008

APPLICANT: XTO ENERGY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc.** to create an overlapping temporary spacing unit comprised of all of Sections 14, 15, 22 and 23, T24N-R56E, Richland County, Montana, to drill an additional Bakken Formation horizontal well generally oriented in a north-south azimuth proximate to the section lines between the existing permanent spacing units at a location not closer than 660 feet to the boundaries of said overlapping temporary spacing unit as an exception to Board Orders 309-2003 and 278-2005, and to provide that the requested temporary spacing unit is limited to production from said proposed horizontal Bakken Formation well. Applicant requests placement on the Default Docket.

Docket 363-2008

APPLICANT: XTO ENERGY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc.** to vacate Board Orders 83-2008 and 85-2008, to create an overlapping temporary spacing unit comprised of all of Sections 16 and 21, T24N-R56E, Richland County, Montana, to drill an additional Bakken Formation horizontal well generally oriented in a north-south azimuth between the existing wells at a location not closer than 660 feet to the boundaries of said spacing unit as an exception to Board Orders 40-2003 and 305-2003, and to provide that the requested temporary spacing unit is limited to production from said proposed horizontal Bakken Formation well. Applicant requests placement on the Default Docket.

Docket 364-2008

APPLICANT: XTO ENERGY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc.** to create an overlapping temporary spacing unit comprised of all of Sections 13 and 24, T24N-R56E and all of Sections 18 and 19, T24N-R57E, Richland County, Montana, to drill an additional Bakken Formation horizontal well generally oriented in a north-south azimuth proximate to the section lines between the existing permanent spacing units at a location not closer than 660 feet to the boundaries of said overlapping temporary spacing unit as an exception to Board Orders 310-2003 and 200-2004, and to provide that the requested temporary spacing unit is limited to production from said proposed horizontal Bakken Formation well. Applicant requests placement on the Default Docket.

Docket 365-2008

APPLICANT: XTO ENERGY INC. – RICHLAND COUNTY, MONTANA

Upon the application of **XTO Energy Inc.** to create a permanent spacing unit comprised of all of Sections 25 and 26, T22N-R58E, Richland County, Montana, for production of oil and associated natural gas from the Bakken Formation and to designate applicant's Hartland 14X-26 well as the authorized well for said spacing unit. .

Docket 366-2008 and 1-2009 FED

APPLICANT: ST. MARY LAND & EXPLORATION COMPANY - ROOSEVELT COUNTY, MONTANA

Upon the application of **St. Mary Land & Exploration Company** to create a 160-acre Mission Canyon Formation permanent spacing unit consisting of the E½SE¼ of Section 8 and the W½SW¼ of Section 9, T27N-R57E, Roosevelt County, Montana, and to designate the Deschamp 13-9 well as the authorized well in said permanent spacing unit, and to permit the commingling of such production with existing Red River Production.

Docket 367-2008

APPLICANT: ST. MARY LAND & EXPLORATION COMPANY - SHERIDAN COUNTY, MONTANA

Upon the application of **St. Mary Land & Exploration Company** to create a permanent spacing unit for production from the Nisku Formation comprised of the SW¼ of Section 1, the SE¼ of Section 2, the NE¼ of Section 11 and the NW¼ of Section 12, T33N-R58E, Sheridan County, Montana, and to designate applicant's Melby 14-1HR well as the authorized well for said spacing unit.

Docket 368-2008

APPLICANT: PINNACLE GAS RESOURCES, INC. – ROSEBUD COUNTY, MONTANA

Upon the application of **Pinnacle Gas Resources, Inc.** to drill an additional gas well to test prospective zones and formations from the surface down to the base of the Fort Union Formation at a proposed location 447' FWL and 252' FSL of Section 33, T7S-R41E, Rosebud County, Montana, as an exception to A.R.M. 36.22.702. Applicant requests placement on the Default Docket.

Docket 369-2008

APPLICANT: PINNACLE GAS RESOURCES, INC. – BIG HORN COUNTY, MONTANA

Upon the application of **Pinnacle Gas Resources, Inc.** to enlarge the Coal Creek Field to include all of Section 16, T8S-R41E, Big Horn County, Montana.

Docket 370-2008

APPLICANT: PINNACLE GAS RESOURCES, INC. – BIG HORN COUNTY, MONTANA

Upon the application of **Pinnacle Gas Resources, Inc.** for approval of its Anderson Plan of Development (POD) for coal bed natural gas exploration and development upon all of Section 16, T8S-R41E, Coal Creek Field, Big Horn County, Montana. Applicant proposes to drill and develop said lands with coal bed natural gas well densities greater than one (1) well per six hundred forty (640) acres. Applicant will submit the Anderson POD to Board staff prior to hearing.

Docket 371-2008

APPLICANT: STEALTH ENERGY USA, INC. – STILLWATER COUNTY, MONTANA

Upon the application of **Stealth Energy USA, Inc.** to rescind Board Order 27-1986 and to create 160-acre temporary spacing units with 330-foot setbacks in all of Sections 22, 23, 24, 25, 26, 27, 34, 35, and 36, T3N-R21E, Stillwater County, Montana, for production of natural gas from all zones and formations. Applicant requests placement on the Default Docket.

Docket 372-2008

Application withdrawn prior to publication

Docket 373-2008

APPLICANT: OMIMEX CANADA, LTD. - GLACIER COUNTY, MONTANA

Upon the application of **Omimex Canada, Ltd.** for an exception to the Cut Bank Field well location rule with regard to the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 24, T35N-R5W, Glacier County, Montana, to drill a well at a location 2615' FEL and 486' FSL of said Section 24. Applicant also requests that Board Order 271-2008 be vacated. Applicant requests placement on the Default Docket.

Docket 374-2008 and 2-2009 FED

APPLICANT: MONTANA LAND & EXPLORATION, INC. - BLAINE COUNTY, MONTANA

Upon the application of **Montana Land & Exploration, Inc.** to drill a well (the ML&E Stephens White Bear 5-4) in Section 4, T30N-R24E, on the Fort Belknap Indian Reservation in Blaine County, Montana, to test for Eagle Formation natural gas at a location 456' FWL and 2138' FNL of said Section 4, as an exception to A.R.M. 36.22.702. Applicant will apply for permanent spacing within 90 days of first commercial production. Applicant requests placement on the Default Docket.

Docket 375-2008 and 3-2009 FED

APPLICANT: MONTANA LAND & EXPLORATION, INC. - BLAINE COUNTY, MONTANA

Upon the application of **Montana Land & Exploration, Inc.** to drill a well (the ML&E Stephens White Bear 12-10) in Section 10, T31N-R23E, on the Fort Belknap Indian Reservation in Blaine County, Montana, to test for Eagle Formation natural gas at a location 865' FWL and 1720' FSL of said Section 10, as an exception to A.R.M. 36.22.702. Applicant will apply for permanent spacing within 90 days of first commercial production. Applicant requests placement on the Default Docket.

Docket 376-2008 and 4-2009 FED

APPLICANT: MONTANA LAND & EXPLORATION, INC. - BLAINE COUNTY, MONTANA

Upon the application of **Montana Land & Exploration, Inc.** to drill a well (the ML&E Stephens White Bear 13-29) in Section 29, T31N-R24E, on the Fort Belknap Indian Reservation in Blaine County, Montana, to test for Eagle Formation natural gas at a location 976' FWL and 902' FSL of said Section 29, as an exception to A.R.M. 36.22.702. Applicant will apply for permanent spacing within 90 days of first commercial production. Applicant requests placement on the Default Docket.

Docket 377-2008 and 5-2009 FED

APPLICANT: MONTANA LAND & EXPLORATION, INC. - BLAINE COUNTY, MONTANA

Upon the application of **Montana Land & Exploration, Inc.** to create a temporary spacing unit comprised of the E½ of Section 19, T31N-R24E, on the Fort Belknap Indian Reservation in Blaine County, Montana, for production of Eagle Formation gas from applicant's ML&E Stephens White Bear 10-19 well to be located 2151' FSL and 1575' FEL of said Section 19 or, in the alternative, to authorize and approve a second Eagle Formation well within the temporary spacing unit created pursuant to Order 5-2008 FED. Applicant requests placement on the Default Docket.

Docket 378-2008

APPLICANT: BRIGHAM OIL & GAS, LP - ROOSEVELT COUNTY, MONTANA

Upon the application of **Brigham Oil & Gas, LP** to create a temporary spacing unit comprised of all of Sections 8 and 17, T28N-R56E, Roosevelt County, Montana, to drill a horizontal Bakken Formation well anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant will, within 90 days of successful completion of the proposed well, file an application for permanent spacing with the Board. Applicant requests placement on the Default Docket with automatic continuance if a protest or request to hear is received.

Docket 379-2008

APPLICANT: BRIGHAM OIL & GAS, LP - ROOSEVELT COUNTY, MONTANA

Upon the application of **Brigham Oil & Gas, LP** to create a temporary spacing unit comprised of all of Sections 17 and 20, T28N-R57E, Roosevelt County, Montana, to drill a horizontal Bakken Formation well anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant will, within 90 days of successful completion of the proposed well, file an application for permanent spacing with the Board. Applicant requests placement on the Default Docket with automatic continuance if a protest or request to hear is received.

Docket 380-2008

APPLICANT: BRIGHAM OIL & GAS, LP - ROOSEVELT COUNTY, MONTANA

Upon the application of **Brigham Oil & Gas, LP** to create a temporary spacing unit comprised of all of Sections 29 and 32, T28N-R57E, Roosevelt County, Montana, to drill a horizontal Bakken Formation well anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof. Applicant will, within 90 days of successful completion of the proposed well, file an application for permanent spacing with the Board. Applicant requests placement on the Default Docket with automatic continuance if a protest or request to hear is received.

Docket 381-2008

APPLICANT: NADEL & GUSSMAN ROCKIES, LLC - CARTER COUNTY, MONTANA

Upon the application of **Nadel & Gussman Rockies, LLC** to convert the Repeat #1 well (API # 25-011-21338) located in the NW¼NW¼ of Section 4, T1S-R62E, Carter County, Montana (Repeat Field), to a Class II injection well in the Red River B Formation. Staff notes this application is eligible for placement on the Default Docket.

Docket 382-2008

APPLICANT: CHAPARRAL ENERGY, LLC - FALLON COUNTY, MONTANA

Upon the application of **Chaparral Energy, LLC** to convert the Kirkwood-BN 31-9 well (API # 25-025-21383) located in the NW¼NE¼ of Section 9, T10N-R58E, Fallon County, Montana (Cabin Creek Field), to a Class II injection well in the Red River Formation. Staff notes this application is eligible for placement on the Default Docket.

Docket 383-2008

APPLICANT: IOFINA NATURAL GAS, INC. - HILL COUNTY, MONTANA

Upon the application of **Iofina Natural Gas, Inc.** to drill the IOFINJ#1 well located in the center of the SE¼ of Section 3, T35N-R11E, Hill County, Montana, as a Class II injection well in the Eagle Formation. An aquifer exemption is being requested as part of the application, as water in the proposed injection zone contains less than 10,000 mg/l total dissolved solids. Staff notes this application is eligible for placement on the Default Docket.

Docket 384-2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to delineate all of Sections 1 and 12, T24N-R53E and all of Sections 6 and 7, T24N-R54E, Richland County, Montana, as an overlapping permanent spacing unit for the Bakken Formation, to designate applicant's Lea Joe 1-1H well as the only authorized well for said spacing unit, and to limit the applicability of said permanent spacing unit to Bakken production from the Lea Joe 1-1H well.

Docket 385-2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to create a 320-acre permanent spacing unit for the Red River Formation comprised of the SW¼ of Section 23 and the NW¼ of Section 26, T26N-R55E, Richland County, Montana, and to designate applicant's Smart 1-23 well as the authorized well for said spacing unit.

Docket 386-2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to designate the Lazy D 2-9H well with a bottomhole location 614' FNL and 811' FWL of Section 4, T23N-R54E, Richland County, Montana, as the second permitted horizontal Bakken well in the permanent spacing unit consisting of all of Sections 4 and 9, T23N-R54E, Richland County, Montana, as an exception to Board Order 459-2005. Applicant requests placement on the Default Docket.

Docket 387-2008

APPLICANT: KODIAK OIL & GAS CORP. – SHERIDAN COUNTY, MONTANA

Upon the application of **Kodiak Oil & Gas Corp.** to create a temporary spacing unit comprised of the SW¼ of Section 20 and the NW¼ of Section 29, T34N-R58E, Sheridan County, Montana, to drill a Red River Formation test well at a location 400' FSL and 280' FWL of said Section 20 with a proposed bottom hole location approximately 380' FNL and 660' FWL of said Section 29 as an exception to A.R.M. 36.22.702. Applicant will apply for permanent spacing within 90 days of successful completion of the proposed well. Applicant requests placement on the Default Docket.

Docket 388-2008

APPLICANT: HIGHLINE EXPLORATION, INC. – BIG HORN COUNTY, MONTANA

Upon the application of **Highline Exploration, Inc.** to amend the Toluca Gas Field Rules to establish the following lands in Big Horn County, Montana, as spacing units for production of gas from all formations from the surface to the base of the Frontier Formation, with the designated number of wells authorized to be drilled to and produced therefrom at any locations not closer than 660 feet to the spacing unit boundaries. Applicant requests placement on the Default Docket.

T1S-R31E

- Section 1: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 1: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 2: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 2: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 3: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 3: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 4: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 4: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 5: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 5: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 6: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 6: Lots 3, 4, 5, 6, 11, 12 (2 wells)

T1S-R32E

- Section 1: Lots 1 through 9 (incl.) (3 wells)
- Section 1: Lots 10, 11, SW¼ (2 wells)
- Section 2: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 2: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 3: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 3: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 4: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 4: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 5: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 5: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 6: Lots 1, 2, 7, 8, 9, 10 (2 wells)
- Section 6: Lots 3, 4, 5, 6, 11, 12 (2 wells)
- Section 13: Lots 1, 2, NW¼ (2 wells)
- Section 13: Lots 3, 4, SW¼ (2 wells)
- Section 24: Lots 1, 2, NW¼ (2 wells)
- Section 24: Lots 3, 4, SW¼ (2 wells)
- Section 25: Lots 1, 2, NW¼ (2 wells)
- Section 25: Lots 3, 4, SW¼ (2 wells)

Docket 389-2008

APPLICANT: TOWN OF SACO – PHILLIPS COUNTY, MONTANA

Upon the application of the **Town of Saco** to clarify and amend Board Orders 29-1955, 3-1972 and 135-1997 effective as of the date of first production from the Stiles #2 well in the NE¼SE¼ of Section 7, T31N-R34E, Phillips County, Montana, by creating a 40-acre permanent spacing unit comprised of the NE¼SE¼ of said Section 7 for production of gas from the Phillips and Bowdoin Formations, and to designate the Stiles #2 well as the authorized well for said permanent spacing unit.

Docket 390-2008

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY LP - RICHLAND COUNTY, MONTANA

Upon the application of **Burlington Resources Oil & Gas Company LP** to create an overlapping temporary spacing unit comprised of all of Sections 2, 3, 10 and 11, T24N-R53E, Richland County, Montana, to drill a horizontal Bakken Formation test well with the lateral to be located in proximity to the section lines between the two existing permanent spacing unit and no closer than 660 feet to the exterior boundaries of said temporary spacing unit, and to provide that said temporary spacing unit is limited to production from the proposed horizontal well. Applicant requests placement on the Default Docket.

Docket 391-2008

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY LP - RICHLAND COUNTY, MONTANA

Upon the application of **Burlington Resources Oil & Gas Company LP** to create an overlapping temporary spacing unit comprised of all of Sections 3, 4, 9 and 10, T24N-R53E, Richland County, Montana, to drill a horizontal Bakken Formation test well with the lateral to be located in proximity to the section lines between the two existing permanent spacing unit and no closer than 660 feet to the exterior boundaries of said temporary spacing unit, and to provide that said temporary spacing unit is limited to production from the proposed horizontal well. Applicant requests placement on the Default Docket.

Docket 392-2008

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY LP - RICHLAND COUNTY, MONTANA

Upon the application of **Burlington Resources Oil & Gas Company LP** to create an overlapping temporary spacing unit comprised of all of Sections 4, 5, 8 and 9, T24N-R53E, Richland County, Montana, to drill a horizontal Bakken Formation test well with the lateral to be located in proximity to the section lines between the two existing permanent spacing unit and no closer than 660 feet to the exterior boundaries of said temporary spacing unit, and to provide that said temporary spacing unit is limited to production from the proposed horizontal well. Applicant requests placement on the Default Docket.

Docket 393-2008

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY LP - RICHLAND COUNTY, MONTANA

Upon the application of **Burlington Resources Oil & Gas Company LP** to create an overlapping temporary spacing unit comprised of all of Sections 25, 26, 35 and 36, T25N-R52E, Richland County, Montana, to drill a horizontal Bakken Formation test well with the lateral to be located in proximity to the section lines between the two existing permanent spacing unit and no closer than 660 feet to the exterior boundaries of said temporary spacing unit, and to provide that said temporary spacing unit is limited to production from the proposed horizontal well. Applicant requests placement on the Default Docket.

Docket 394-2008

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY LP - RICHLAND COUNTY, MONTANA

Upon the application of **Burlington Resources Oil & Gas Company LP** to create an overlapping temporary spacing unit comprised of all of Sections 26, 27, 34 and 35, T25N-R52E, Richland County, Montana, to drill a horizontal Bakken Formation test well with the lateral to be located in proximity to the section lines between the two existing permanent spacing unit and no closer than 660 feet to the exterior boundaries of said temporary spacing unit, and to provide that said temporary spacing unit is limited to production from the proposed horizontal well. Applicant requests placement on the Default Docket.

Docket 395-2008

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY LP - RICHLAND COUNTY, MONTANA

Upon the application of **Burlington Resources Oil & Gas Company LP** to create an overlapping temporary spacing unit comprised of all of Sections 25 and 36, T25N-R52E and all of Sections 30 and 31, T25N-R53E, Richland County, Montana, to drill a horizontal Bakken Formation test well with the lateral to be located in proximity to the section lines between the two existing permanent spacing unit and no closer than 660 feet to the exterior boundaries of said temporary spacing unit, and to provide that said temporary spacing unit is limited to production from the proposed horizontal well. Applicant requests placement on the Default Docket.

Docket 396-2008

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY LP - RICHLAND COUNTY, MONTANA

Upon the application of **Burlington Resources Oil & Gas Company LP** to create an overlapping temporary spacing unit comprised of all of Sections 28, 29, 32 and 33, T25N-R53E, Richland County, Montana, to drill a horizontal Bakken Formation test well with the lateral to be located in proximity to the section lines between the two existing permanent spacing unit and no closer than 660 feet to the exterior boundaries of said temporary spacing unit, and to provide that said temporary spacing unit is limited to production from the proposed horizontal well. Applicant requests placement on the Default Docket.

Docket 397-2008

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY LP - RICHLAND COUNTY, MONTANA

Upon the application of **Burlington Resources Oil & Gas Company LP** to create an overlapping temporary spacing unit comprised of all of Sections 29, 30, 31 and 32, T25N-R53E, Richland County, Montana, to drill a horizontal Bakken Formation test well with the lateral to be located in proximity to the section lines between the two existing permanent spacing unit and no closer than 660 feet to the exterior boundaries of said temporary spacing unit, and to provide that said temporary spacing unit is limited to production from the proposed horizontal well. Applicant requests placement on the Default Docket.

Docket 398-2008

APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY LP - RICHLAND COUNTY, MONTANA

Upon the application of **Burlington Resources Oil & Gas Company LP** to vacate Board Order 236-2008 and to permit the drilling of a Bakken Formation horizontal test well in an overlapping temporary spacing unit comprised of all of Sections 1, 2, 11 and 12, T24N-R53E, Richland County, Montana, with the lateral to be located in proximity to the section lines between the two existing permanent spacing unit and no closer than 660 feet to the exterior boundaries of said temporary spacing unit, and to provide that said temporary spacing unit is limited to production from the proposed horizontal well. Applicant requests placement on the Default Docket.

Docket 241-2008
Continued from July 2008

APPLICANT: CONTINENTAL RESOURCES, INC. - RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to pool all interests in the permanent spacing unit comprised of Lots 1, 2, 3, 4 (all) of Section 1 and all of Section 12, T24N-R56E, Richland County, Montana, on the basis of surface acreage for production from the Bakken Formation from the Rachel 1-12H well and to authorize recovery of non-joinder penalties in accordance with Section 82-11-202 (2), M.C.A..

Docket 272-2008
Continued from July 2008

APPLICANT: NORTH AMERICAN EXPLORATION LLC – POWDER RIVER COUNTY, MONTANA

Upon the application of **North American Exploration LLC** to create a temporary spacing unit comprised of the S $\frac{1}{2}$ NE $\frac{1}{4}$ and N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 17, T6S-R52E, Powder River County, Montana, to drill a Red River Formation test well anywhere within said spacing unit but not closer than 660 feet to the boundaries thereof as an exception to A.R.M. 36.22.702. Applicant states that permanent spacing will be requested within 90 days of successful completion of a well drilled in the proposed temporary spacing unit and requests placement on the Default Docket with automatic continuance in the event a protest or request to hear is received.

Docket 279-2008
Continued from September 2008

APPLICANT: FIDELITY EXPLORATION & PRODUCTION COMPANY – BIG HORN COUNTY, MONTANA

Upon the application of **Fidelity Exploration & Production Company** for an exception to field rules to drill two wells at the following locations in CX Field in Big Horn County, Montana: in the S½NW¼ of Section 2, T9S-R41E at a location approximately 166' FEL of said Section 2, and in the SW¼ of Section 5, T9S-R41E at a location approximately 218' FEL of said Section 5.

Docket 282-2008
Continued from September 2008

APPLICANT: MISSOURI BASIN WELL SERVICE, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Missouri Basin Well Service, Inc.** to create a permanent spacing unit comprised of all of Section 32, T25N-R59E, Richland County, Montana, for production of oil and associated gas from the Bakken Formation and to designate applicant's Daniella #1-32H well as the authorized well for said permanent spacing unit.

Docket 285-2008
Continued from September 2008

APPLICANT: CITATION OIL AND GAS CORP. – BLAINE COUNTY, MONTANA

Upon the application of **Citation Oil and Gas Corp.** to convert the F 402 well (API #25-005-05068) located in the SW¼NE¼ of Section 2, T31N-R19E, Blaine County, Montana, (Bowes Field) to a Class II injection well for enhanced recovery in the Sawtooth Formation. An aquifer exemption is being requested as part of the application, as water in the proposed injection zones contains less than 10,000 mg/l total dissolved solids. Staff notes this application is eligible for placement on the Default Docket.

Docket 298-2008
Continued from September 2008

APPLICANT: BALDWIN EXPLORATION CORPORATION – CARBON COUNTY, MONTANA

Upon the application of **Baldwin Exploration Corporation** to delineate a field and permanent spacing unit comprised of the W½NW¼ and NW¼SW¼ of Section 15 and the E½NE¼ and NE¼SE¼ of Section 16, T9S-R22E, Carbon County, Montana, for production of oil and associated natural gas from the Lakota Formation.

Docket 299-2008
Continued from September 2008

APPLICANT: BALDWIN EXPLORATION CORPORATION – CARBON COUNTY, MONTANA

Upon the application of **Baldwin Exploration Corporation** to drill an additional Lakota Formation well in the permanent spacing unit comprised of the W½NW¼ and NW¼SW¼ of Section 15 and the E½NE¼ and NE¼SE¼ of Section 16, T9S-R22E, Carbon County, Montana, at a location not closer than 660 feet to the boundaries of said permanent spacing unit. Applicant requests placement on the Default Docket.

Docket 306-2008
Continued from September 2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to drill a Bakken Formation horizontal test well in an overlapping temporary spacing unit consisting of all of Sections 22, 23, 26, and 27, T23N-R55E, Richland County, Montana, with the laterals to be located in proximity to the section lines between the two existing permanent spacing units and no closer than 660 feet to the exterior boundaries of said temporary spacing unit. Applicant requests placement on the Default Docket.

Docket 307-2008
Continued from September 2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to drill a Bakken Formation horizontal test well in an overlapping temporary spacing unit consisting of all of Sections 24 and 25, T23N-R55E and all of Sections 19 and 30, T23N-R56E, Richland County, Montana, with the laterals to be located in proximity to the section lines between the two existing permanent spacing units and no closer than 660 feet to the exterior boundaries of said temporary spacing unit. Applicant requests placement on the Default Docket.

Docket 308-2008
Continued from September 2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to drill a Bakken Formation horizontal test well in an overlapping temporary spacing unit consisting of all of Sections 20, 21, 28, and 29, T23N-R56E, Richland County, Montana, with the laterals to be located in proximity to the section lines between the two existing permanent spacing units and no closer than 660 feet to the exterior boundaries of said temporary spacing unit. Applicant requests placement on the Default Docket.

Docket 311-2008
Continued from September 2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to drill a Bakken Formation horizontal test well in an overlapping temporary spacing unit consisting of all of Sections 21, 22, 27, and 28, T25N-R55E, Richland County, Montana, with the laterals to be located in proximity to the section lines between the two existing permanent spacing units and no closer than 660 feet to the exterior boundaries of said temporary spacing unit. Applicant requests placement on the Default Docket.

Docket 322-2008
Continued from September 2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to drill a Bakken Formation horizontal test well in an overlapping temporary spacing unit consisting of all of Sections 23, 24, 25, and 26, T23N-R55E, Richland County, Montana, with the laterals to be located in proximity to the section lines between the two existing permanent spacing units and no closer than 660 feet to the exterior boundaries of said temporary spacing unit. Applicant requests placement on the Default Docket.

Docket 323-2008
Continued from September 2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to drill a Bakken Formation horizontal test well in an overlapping temporary spacing unit consisting of all of Sections 19, 20, 29, and 30, T23N-R56E, Richland County, Montana, with the laterals to be located in proximity to the section lines between the two existing permanent spacing units and no closer than 660 feet to the exterior boundaries of said temporary spacing unit. Applicant requests placement on the Default Docket.

Docket 326-2008
Continued from September 2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to drill a Bakken Formation horizontal test well in an overlapping temporary spacing unit consisting of all of Sections 14, 15, 22, and 23, T24N-R54E, Richland County, Montana, with the laterals to be located in proximity to the section lines between the two existing permanent spacing units and no closer than 660 feet to the exterior boundaries of said temporary spacing unit. Applicant requests placement on the Default Docket.

Docket 327-2008
Continued from September 2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to delineate all of Section 28, T26N-R54E, Richland County, Montana, as a permanent spacing unit for the Bakken Formation and to designate applicant's Duane 1-28H well as the authorized well for said spacing unit.

Docket 333-2008
Continued from September 2008

APPLICANT: CONTINENTAL RESOURCES, INC. – RICHLAND COUNTY, MONTANA

Upon the application of **Continental Resources, Inc.** to drill an additional Bakken Formation horizontal well in the permanent spacing unit consisting of all of Sections 14 and 23, T25N-R55E, Richland County, Montana, with such laterals to be located no closer than 660 feet to the exterior boundaries of said spacing unit, as an amendment to Board Orders 387-2006 and 388-2006. Applicant requests placement on the Default Docket.

BOARD OF OIL AND GAS CONSERVATION

Terri H. Perrigo
Executive Secretary