

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF
SECTIONS 9 AND 16, T26N-R53E, RICHLAND COUNTY,
MONTANA, TO DRILL A HORIZONTAL BAKKEN/
THREE FORKS FORMATION WELL WITHIN SAID
SPACING UNIT AT ANY LOCATION NOT CLOSER
THAN 200' TO THE NORTH/SOUTH BOUNDARIES
AND 1320' TO THE EAST/WEST BOUNDARIES THEREOF.
APPLICANT WILL FILE FOR PERMANENT SPACING
WITHIN 90 DAYS OF COMPLETION OF A COMMERCIAL
WELL.

ORDER 125-2011

Docket No. 168-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member, Jack King recused himself and took no further part in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. Don Lee, attorney for Continental Resources, Inc., testified that notice had been mailed to all heel/toe offset mineral owners.
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 all of Sections 9 & 16, T26N-R53E, Richland County, Montana, is delineated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well within said spacing unit at any location not closer than 200' (heel/toe setback) and 1320' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that the applicant will file for permanent spacing within 90 days of completion of a commercial well.

BOARD ORDER NO. 125-2011

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent.

Ronald S. Efta, Board Member

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL OF SECTIONS 10 AND 15, T26N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL WITHIN SAID SPACING UNIT AT ANY LOCATION NOT CLOSER THAN 200' TO THE NORTH/SOUTH BOUNDARIES AND 1320' TO THE EAST/WEST BOUNDARIES THEREOF. APPLICANT WILL FILE FOR PERMANENT SPACING WITHIN 90 DAYS OF COMPLETION OF A COMMERCIAL WELL.

ORDER 126-2011

Docket No. 169-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Jack King recused himself and took no further part in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. Don Lee, attorney for Continental Resources, Inc., testified that notice had been mailed to all heel/toe offset mineral owners.
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 all of Sections 10 & 15, T26N-R53E, Richland County, Montana, is delineated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well within said spacing unit at any location not closer than 200' (heel/toe setback) and 1320' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that the applicant will file for permanent spacing within 90 days of completion of a commercial well.

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

BOARD ORDER NO. 126-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent.

Ronald S. Efta, Board Member

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF SECTIONS 25
AND 26, T26N-R53E, RICHLAND COUNTY, MONTANA
TO DRILL A HORIZONTAL BAKKEN/THREE FORKS
FORMATION WELL WITHIN SAID SPACING UNIT
AT ANY LOCATION NOT CLOSER THAN 200' TO THE
NORTH/SOUTH BOUNDARIES AND 1320' TO THE EAST/WEST
BOUNDARIES THEREOF. APPLICANT WILL FILE FOR PERMANENT SPACING
WITHIN 90 DAYS OF COMPLETION OF A COMMERCIAL WELL.

ORDER 127-2011

Docket No. 170-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Jack King recused himself and took no further part in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. At the hearing, applicant indicated that the setback directions in the application were incorrect and that the standard 200' toe and heel and 1320' lateral setbacks were intended.
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 all of Sections 25 & 26, T26N-R53E, Richland County, Montana, is delineated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well within said spacing unit at any location not closer than 200' (heel/toe setback) and 1320' (lateral setback) from the boundaries thereof.

IT IS FURTHER ORDERED that the applicant will file for permanent spacing within 90 days of completion of a commercial well.

BOARD ORDER NO. 127-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent.

Ronald S. Efta, Board Member

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF
SECTIONS 18 AND 19, T26N-R55E, RICHLAND COUNTY,
MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE
FORKS FORMATION WELL WITHIN SAID SPACING
UNIT AT ANY LOCATION NOT CLOSER THAN 200' TO
THE NORTH/SOUTH BOUNDARIES AND 1320' TO THE
EAST/WEST BOUNDARIES THEREOF. APPLICANT WILL
FILE FOR PERMANENT SPACING WITHIN 90 DAYS OF
COMPLETION OF A COMMERCIAL WELL.

ORDER 128-2011

Docket No. 172-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Jack King recused himself and took no further part in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. Don Lee, attorney for Continental Resources, Inc., testified that notice had been mailed to all heel/toe offset mineral owners.
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 all of Sections 18 & 19, T26N-R55E, Richland County, Montana, is delineated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well within said spacing unit at any location not closer than 200' (heel/toe setback) and 1320' (lateral setback) to the boundaries thereof.

IT IS FURTHER ORDERED that the applicant will file for permanent spacing within 90 days of completion of a commercial well.

BOARD ORDER NO. 128-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent.

Ronald S. Efta, Board Member

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO CREATE A PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTION 6, T25N-R54E AND ALL OF SECTION 31,
T26N-R54E, RICHLAND COUNTY, MONTANA, FOR
PRODUCTION OF BAKKEN/THREE FORKS FORMATION
OIL AND ASSOCIATED NATURAL GAS FROM THE
AMESTOY 1-31H WELL.

ORDER 129-2011

Docket No. 175-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 6, T25N-R54E and all of Section 31, T26N-R54E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Amestoy 1-31H well.

BOARD ORDER NO. 129-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO CREATE A PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTIONS 1 AND 12, T26N-R53E, RICHLAND
COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/
THREE FORKS FORMATION OIL AND ASSOCIATED
NATURAL GAS FROM THE TOLKSDORF 1-1H WELL.

ORDER 130-2011

DOCKET NO. 176-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 1 and 12, T26N-R53E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Tolksdorf 1-1H well.

BOARD ORDER NO. 130-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO CREATE A PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTIONS 5 AND 8, T26N-R56E, RICHLAND COUNTY,
MONTANA, FOR PRODUCTION OF BAKKEN/
THREE FORKS FORMATION OIL AND ASSOCIATED
NATURAL GAS FROM THE BAXTER 1-5H WELL.

ORDER 131-2011

Docket No. 177-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 5 and 8, T26N-R56E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Baxter 1-5H well.

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

BOARD ORDER NO. 131-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO VACATE
BOARD ORDERS 346-2005, 515-2005 AND 72-2010
WHICH CREATED THE FOLLOWING TEMPORARY
SPACING UNITS ON THE FOLLOWING LANDS IN
RICHLAND COUNTY, MONTANA:

ORDER 132-2011

T27N-R54E
SECTION 10: ALL
SECTION 15: ALL
CONTAINING 1280 ACRES MORE OR LESS
BOARD ORDER 346-2005

T26N-R53E
SECTION 15: ALL
SECTION 16: ALL
CONTAINING 1280 ACRES MORE OR LESS
BOARD ORDER 515-2005

T26N-R55E
SECTION 19: ALL
SECTION 30: ALL
CONTAINING 1280 ACRES MORE OR LESS
BOARD ORDER 72-2010

Docket No. 181-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. Indian trust lands are included in Board Order 346-2005. Pascual Laborda of the Bureau of Land Management (BLM) of the United States Department of the Interior testified at the hearing the BLM will issue a new Federal Order to vacate BLM Order No. 12-2005 FED upon receipt of a formal letter from applicant requesting such action be taken.
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 Board Orders 346-2005, 515-2005 and 72-2010, which created the temporary spacing units listed in the caption in Richland County, Montana, are hereby vacated.

BOARD ORDER NO. 132-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CITATION
OIL & GAS CORP. TO CONVERT THE
D-806H WELL (API #25-005-22528) LOCATED IN THE
SE¼SW¼ OF SECTION 6, T31N-R20E, BLAINE
COUNTY, MONTANA (BOWES FIELD), TO AN
ENHANCED RECOVERY INJECTION WELL IN THE
SAWTOOTH FORMATION AT A DEPTH OF
APPROXIMATELY 3412 FEET. 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.

ORDER 133-2011

Docket No. 183-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 133-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CITATION
OIL & GAS CORP. TO CONVERT THE
G-606 WELL (API #25-005-05061) LOCATED IN THE
NE¼SE¼ OF SECTION 6, T31N-R20E, BLAINE
COUNTY, MONTANA (BOWES FIELD), TO AN
ENHANCED RECOVERY INJECTION WELL IN THE
SAWTOOTH FORMATION AT A DEPTH OF
APPROXIMATELY 3383 FEET. TO 3459 FEET.

ORDER 134-2011

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.

Docket No. 184-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 134-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CITATION
OIL & GAS CORP. TO CONVERT THE
D-135H WELL (API #25-005-22565) LOCATED IN THE
NE¼NW¼ OF SECTION 35, T32N, R19E, BLAINE
COUNTY, MONTANA (BOWES FIELD), TO AN
ENHANCED RECOVERY INJECTION WELL IN THE
SAWTOOTH FORMATION AT A DEPTH OF
APPROXIMATELY 3432 FEET. 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.

ORDER 135-2011

Docket No. 185-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 135-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF ENERGY
CORPORATION OF AMERICA TO CONVERT
THE W.R. MACKAY #1 WELL (API #25-009-05242) LOCATED
IN THE SW¹/₄SW¹/₄ OF SECTION 13, T6S-R17E, CARBON
COUNTY, MONTANA (MACKAY DOME FIELD), TO A
SALTWATER DISPOSAL INJECTION WELL IN THE
SUNDANCE FORMATION AT A DEPTH OF
APPROXIMATELY 4,050 FEET. 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.

ORDER 136-2011

Docket No. 186-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 136-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF ENERGY
EQUITY COMPANY TO CONVERT THE
HOROB 1-20 WELL (API #25-085-21228) LOCATED IN
THE SW¹/₄SE¹/₄ OF SECTION 20, T29N-R59E,
ROOSEVELT COUNTY, MONTANA (RED BANK FIELD),
TO A SALTWATER DISPOSAL INJECTION WELL IN
THE MUDDY AND DAKOTA FORMATIONS AT A
DEPTH OF APPROXIMATELY 5328 FEET. TO 5970 FEET.
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.

ORDER 137-2011

Docket No. 187-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. Mr. Todd Panasuk from Bainville, Montana, was present to protest the application. He is an owner of adjoining lands. He testified there is insufficient infrastructure to take additional truck travel on this road. If this disposal well is approved there will be at least 70 additional trucks per day. The road is currently impassable by car, and the school bus could not run last winter due to road conditions.
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 Horob 1-20 well (API #25-085-21228) located in the SW¹/₄SE¹/₄ of Section 20, T29N-R59E, Roosevelt County, Montana (Red Bank Field), is authorized to be converted to a saltwater disposal injection well in the Muddy and Dakota Formations at a depth of approximately 5328 feet to 5970 feet, subject to stipulations on the Sundry Notice.

IT IS FURTHER ORDERED that Board staff write a letter to the Roosevelt County Commissioners in support of fixing the road.

BOARD ORDER NO. 137-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF URSA RESOURCES
GROUP LLC TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF SECTIONS 2 AND 11,
T23N-R58E, RICHLAND COUNTY, MONTANA, TO DRILL A
HORIZONTAL BAKKEN FORMATION WELL WITHIN SAID
SPACING UNIT AT ANY LOCATION NOT CLOSER THAN 660'
(HEEL/TOE SETBACK) AND 1320' (LATERAL SETBACK) TO THE
BOUNDARIES THEREOF. APPLICANT WILL FILE FOR
PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL
COMPLETION OF THE PROPOSED HORIZONTAL WELL.

ORDER 138-2011

Docket No. 188-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of URSA Resources Group LLC is hereby granted as applied for.

IT IS FURTHER ORDERED that applicant shall file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

BOARD ORDER NO. 138-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF URSA RESOURCES
GROUP LLC TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF SECTIONS 25
AND 36, T24N-R58E, RICHLAND COUNTY, MONTANA, TO
DRILL A HORIZONTAL BAKKEN FORMATION WELL WITHIN
SAID SPACING UNIT AT ANY LOCATION NOT CLOSER THAN
660' (HEEL/TOE SETBACK) AND 1320' (LATERAL SETBACK)
TO THE BOUNDARIES THEREOF. APPLICANT WILL FILE
FOR PERMANENT SPACING WITHIN 90 DAYS OF
SUCCESSFUL COMPLETION OF THE PROPOSED
HORIZONTAL WELL.

ORDER 139-2011

Docket No. 189-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 139-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF URSA RESOURCES
GROUP LLC TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF SECTIONS 1 AND 12,
T25N-R58E, RICHLAND COUNTY, MONTANA, TO DRILL A
HORIZONTAL BAKKEN FORMATION WELL WITHIN SAID
SPACING UNIT AT ANY LOCATION NOT CLOSER THAN 660'
(HEEL/TOE SETBACK) AND 1320' (LATERAL SETBACK) TO THE
BOUNDARIES THEREOF. APPLICANT WILL FILE FOR
PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL
COMPLETION OF THE PROPOSED HORIZONTAL WELL.

ORDER 140-2011

Docket No. 190-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 140-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
URSA RESOURCES GROUP LLC TO CREATE A
PERMANENT SPACING UNIT COMPRISED OF
ALL OF SECTIONS 25 AND 36, T25N-R57E,
RICHLAND COUNTY, MONTANA, FOR
PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN
FORMATION.

ORDER 141-2011

Docket No. 191-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Jack King recused himself and took no further part in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 25 and 36, T25N-57E, Richland County, Montana is designated a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 141-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF URSA RESOURCES
GROUP LLC TO POOL ALL INTERESTS IN
THE PERMANENT SPACING UNIT COMPRISED OF ALL OF
SECTIONS 25 AND 36, T25N-R57E, RICHLAND COUNTY,
MONTANA, FOR PRODUCTION OF OIL AND ASSOCIATED
NATURAL GAS FROM THE BAKKEN FORMATION, AND TO
AUTHORIZE RECOVERY OF NON-CONSENT PENALTIES IN
ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A.

ORDER 142-2011

Docket No. 192-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Jack King recused himself and took no further part in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit consisting of Sections 25 and 36, T25N-57E, Richland County, Montana are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken Formation through the Tveit 25-36 #1H well.

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

BOARD ORDER NO. 142-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF TRUE OIL LLC
TO CREATE A TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTION 22, T11N-R24E,
MUSSELSHELL COUNTY, MONTANA, TO DRILL A
HORIZONTAL HEATH FORMATION WELL WITHIN
SAID SPACING UNIT AT ANY LOCATION NOT CLOSER
THAN 330' TO THE BOUNDARIES THEREOF.
APPLICANT WILL FILE FOR PERMANENT SPACING
WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF
THE PROPOSED HORIZONTAL WELL.

ORDER 143-2011

Docket No. 194-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. The evidence indicates that granting the application 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 all of Section 22, T11N-R24E, Musselshell County, Montana, is designated a temporary spacing unit to drill a horizontal Heath Formation well anywhere within said spacing unit not closer than 330' to the boundaries thereof.

IT IS FURTHER ORDERED that applicant must file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

BOARD ORDER NO. 143-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF TRUE OIL LLC
TO CREATE A TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTION 26, T11N-R24E,
MUSSELSHELL COUNTY, MONTANA, TO DRILL A
HORIZONTAL HEATH FORMATION WELL WITHIN
SAID SPACING UNIT AT ANY LOCATION NOT CLOSER
THAN 330' TO THE BOUNDARIES THEREOF.
APPLICANT WILL FILE FOR PERMANENT SPACING
WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF
THE PROPOSED HORIZONTAL WELL.

ORDER 144-2011

Docket No. 197-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. The evidence indicates that granting the application 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 all of Section 26, T11N-R24E, Musselshell County, Montana, is designated a temporary spacing unit to drill a horizontal Heath Formation well anywhere within said spacing unit not closer than 330' to the boundaries thereof.

IT IS FURTHER ORDERED that applicant must file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

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

BOARD ORDER NO. 144-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF TRUE
OIL LLC TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF
SECTION 27, T11N-R24E, MUSSELSHELL
COUNTY, MONTANA, TO DRILL A
HORIZONTAL HEATH FORMATION WELL
WITHIN SAID SPACING UNIT AT ANY
LOCATION NOT CLOSER THAN 330' TO THE
BOUNDARIES THEREOF. APPLICANT WILL
FILE FOR PERMANENT SPACING WITHIN
90 DAYS OF SUCCESSFUL COMPLETION OF
THE PROPOSED HORIZONTAL WELL.

ORDER 145-2011

Docket No. 198-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 27, T11N-R24E, Musselshell County, Montana, is designated a temporary spacing unit to drill a horizontal Heath Formation well anywhere within said spacing unit not closer than 330' to the boundaries thereof.

IT IS FURTHER ORDERED that applicant must file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

BOARD ORDER NO. 145-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF FIDELITY
EXPLORATION & PRODUCTION COMPANY
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF ALL OF SECTION 27, T11N-R33E,
ROSEBUD COUNTY, MONTANA, TO DRILL A
HORIZONTAL HEATH FORMATION WELL WITHIN
SAID SPACING UNIT AT ANY LOCATION NOT CLOSER
THAN 330' TO THE BOUNDARIES THEREOF.
APPLICANT WILL FILE FOR PERMANENT SPACING
WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF
THE PROPOSED HORIZONTAL WELL.

ORDER 146-2011

Docket No. 199-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana all of Section 27, T11N-R33E, Rosebud County, Montana, is delineated a temporary spacing unit to drill a horizontal Heath Formation well anywhere within said spacing unit not closer than 330' to the boundaries thereof.

IT IS FURTHER ORDERED that applicant must file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

BOARD ORDER NO. 146-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF FIDELITY
EXPLORATION & PRODUCTION COMPANY TO
CREATE A TEMPORARY SPACING UNIT COMPRISED OF ALL
OF SECTION 23, T12N-R32E, ROSEBUD COUNTY, MONTANA,
TO DRILL A HORIZONTAL HEATH FORMATION WELL WITHIN
SAID SPACING UNIT AT ANY LOCATION NOT CLOSER THAN
330' TO THE BOUNDARIES THEREOF. APPLICANT WILL FILE
FOR PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL
COMPLETION OF THE PROPOSED HORIZONTAL WELL.

ORDER 147-2011

Docket No. 200-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. The evidence indicates that granting the application 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 all of Section 23, T12N-R32E, Rosebud County, Montana, is delineated a temporary spacing unit to drill a horizontal Heath Formation well anywhere within said spacing unit not closer than 330' to the boundaries thereof.

IT IS FURTHER ORDERED that applicant must file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

BOARD ORDER NO. 147-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF XTO
ENERGY INC. TO CREATE A TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTIONS 6 AND 7,
T23N-R59E, RICHLAND COUNTY, MONTANA, TO
DRILL A HORIZONTAL BAKKEN/THREE FORKS
FORMATION WELL WITHIN SAID SPACING UNIT
AT ANY LOCATION NOT CLOSER THAN 660'
(HEEL/TOE SETBACK) AND 1320' (LATERAL
SETBACK) TO THE BOUNDARIES THEREOF.
APPLICANT WILL FILE FOR PERMANENT SPACING
WITHIN 90 DAYS OF SUCCESSFUL COMPLETION
OF THE PROPOSED HORIZONTAL WELL.

ORDER 148-2011

Docket No. 201-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of XTO Energy Inc. is hereby 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. 148-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF MCR, LLC
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF THE SE¹/₄NE¹/₄, NE¹/₄SE¹/₄ OF SECTION 21
AND THE SW¹/₄NW¹/₄, NW¹/₄SW¹/₄ OF SECTION 22,
T22N-R19E, FERGUS COUNTY, MONTANA, WITH 660'
SETBACKS FROM THE SPACING UNIT BOUNDARIES.
APPLICANT FURTHER REQUESTS PERMISSION TO
DRILL AN EAGLE SAND FORMATION GAS WELL
WITHIN SAID TEMPORARY SPACING UNIT AT A
LOCATION APPROXIMATELY 2169' FNL AND 255' FEL
OF SAID SECTION 21. APPLICANT WILL FILE FOR
PERMANENT SPACING WITHIN 90 DAYS OF SUCCESSFUL
COMPLETION OF THE PROPOSED WELL.

ORDER 149-2011

Docket No. 204-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 149-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF MCR, LLC
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF THE E½NE¼ OF SECTION 23 AND THE
W½NW¼ OF SECTION 24, T22N-R19E, FERGUS COUNTY,
MONTANA, WITH 660' SETBACKS FROM THE SPACING
UNIT BOUNDARIES. APPLICANT FURTHER REQUESTS
PERMISSION TO DRILL AN EAGLE SAND FORMATION
GAS WELL WITHIN SAID TEMPORARY SPACING UNIT
AT A LOCATION APPROXIMATELY 1863' FNL AND
371' FEL OF SAID SECTION 23. APPLICANT WILL FILE
FOR PERMANENT SPACING WITHIN 90 DAYS OF
SUCCESSFUL COMPLETION OF THE PROPOSED WELL.

ORDER 150-2011

Docket No. 205-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 150-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF MCR, LLC
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF THE N $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ OF SECTION 24,
T22N-R19E, FERGUS COUNTY, MONTANA, WITH 660'
SETBACKS FROM THE SPACING UNIT BOUNDARIES.
APPLICANT FURTHER REQUESTS PERMISSION TO
DRILL AN EAGLE SAND FORMATION GAS WELL
WITHIN SAID TEMPORARY SPACING UNIT AT A
LOCATION APPROXIMATELY 2352' FSL AND
1583' FWL OF SAID SECTION 24. APPLICANT WILL
FILE FOR PERMANENT SPACING WITHIN 90 DAYS
OF SUCCESSFUL COMPLETION OF THE PROPOSED
WELL.

ORDER 151-2011

Docket No. 206-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 151-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF MCR, LLC
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF THE SE¼ OF SECTION 24, T26N-R15E,
CHOUTEAU COUNTY, MONTANA, WITH 660'
SETBACKS FROM THE SPACING UNIT BOUNDARIES.
APPLICANT FURTHER REQUESTS PERMISSION TO
DRILL AN EAGLE SAND FORMATION GAS WELL
WITHIN SAID TEMPORARY SPACING UNIT AT A
LOCATION APPROXIMATELY 1264' FSL AND
1398' FEL OF SAID SECTION 24. APPLICANT WILL
FILE FOR PERMANENT SPACING WITHIN 90 DAYS
OF SUCCESSFUL COMPLETION OF THE PROPOSED
WELL.

ORDER 152-2011

Docket No. 207-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 152-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF MCR LLC
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF THE E $\frac{1}{2}$ NE $\frac{1}{4}$ OF SECTION 25, T26N-R15E
AND THE W $\frac{1}{2}$ NW $\frac{1}{4}$ OF SECTION 30, T26N-R16E,
CHOUTEAU COUNTY, MONTANA, WITH 660' SETBACKS
FROM THE SPACING UNIT BOUNDARIES. APPLICANT
FURTHER REQUESTS PERMISSION TO DRILL AN EAGLE
SAND FORMATION GAS WELL WITHIN SAID
TEMPORARY SPACING UNIT AT A LOCATION
APPROXIMATELY 1370' FNL AND 555' FEL OF SAID
SECTION 25. APPLICANT WILL FILE FOR PERMANENT
SPACING WITHIN 90 DAYS OF SUCCESSFUL
COMPLETION OF THE PROPOSED WELL.

ORDER 153-2011

Docket No. 208-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 153-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF MCR, LLC
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF THE N½NW¼ OF SECTION 24 AND
THE S½SW¼ OF SECTION 13, T26N-R15E, CHOUTEAU
COUNTY, MONTANA, WITH 660' SETBACKS FROM
THE SPACING UNIT BOUNDARIES. APPLICANT
FURTHER REQUESTS PERMISSION TO DRILL AN
EAGLE SAND FORMATION GAS WELL WITHIN SAID
TEMPORARY SPACING UNIT AT A LOCATION
APPROXIMATELY 204' FNL AND 706' FWL OF SAID
SECTION 24. APPLICANT WILL FILE FOR
PERMANENT SPACING WITHIN 90 DAYS OF
SUCCESSFUL COMPLETION OF THE PROPOSED WELL.

ORDER 154-2011

Docket No. 209-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 154-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF WHITING
OIL AND GAS CORPORATION TO CREATE
A TEMPORARY SPACING UNIT COMPRISED OF ALL
OF SECTIONS 11 AND 14, T29N-R54E, ROOSEVELT
COUNTY, MONTANA, TO DRILL A HORIZONTAL
BAKKEN/THREE FORKS FORMATION WELL
ANYWHERE WITHIN SAID TEMPORARY SPACING
UNIT BUT NOT CLOSER THAN 660' (HEEL/TOE
SETBACK) AND 1320' (LATERAL SETBACK) TO
THE BOUNDARIES THEREOF. APPLICANT WILL
FILE FOR PERMANENT SPACING WITHIN 90 DAYS
OF SUCCESSFUL COMPLETION OF THE PROPOSED
HORIZONTAL WELL.

ORDER 155-2011

Docket No. 210-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

IT IS FURTHER ORDERED that applicant will file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

BOARD ORDER NO. 155-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF WHITING
OIL AND GAS CORPORATION TO CREATE
A TEMPORARY SPACING UNIT COMPRISED OF ALL
OF SECTIONS 23 AND 24, T29N-R54E, ROOSEVELT
COUNTY, MONTANA, TO DRILL A HORIZONTAL
BAKKEN/THREE FORKS FORMATION WELL
ANYWHERE WITHIN SAID TEMPORARY SPACING
UNIT BUT NOT CLOSER THAN 660' (HEEL/TOE
SETBACK) AND 1320' (LATERAL SETBACK) TO
THE BOUNDARIES THEREOF. APPLICANT WILL
FILE FOR PERMANENT SPACING WITHIN 90 DAYS
OF SUCCESSFUL COMPLETION OF THE PROPOSED
HORIZONTAL WELL.

ORDER 156-2011

Docket No. 211-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

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

Order

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

IT IS FURTHER ORDERED that applicant will file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

BOARD ORDER NO. 156-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF LONGSHOT OIL, LLC TO DRILL THE FIEDLER 1A-10 WELL IN THE NE¼SE¼ OF SECTION 10, T24N-R7E, CHOUTEAU COUNTY, MONTANA (WILDCAT), AS A CLASS II ENHANCED RECOVERY INJECTION WELL IN THE SWIFT FORMATION AT A DEPTH OF APPROXIMATELY 1925 FEET. 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.

ORDER 157-2011

Docket No. 214-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER 157-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF LONGSHOT
OIL, LLC TO DRILL FOUR OIL TEST WELLS
LESS THAN 6000' DEEP AT THE FOLLOWING LOCATIONS
IN THE NE¼ SE¼ OF SECTION 10, T24N-R7E, CHOUTEAU
COUNTY, MONTANA:

ORDER 158-2011

TAYLOR 1B-15 WELL – 2320' FSL AND 330' FEL
DOUGHTY 1C-15 WELL – 2320' FSL AND 990' FEL
LANDRY 1D-15 WELL – 1660' FSL AND 990' FEL
FULTON 1E-15 WELL – 1660' FSL AND 330' FEL

APPLICANT ALSO REQUESTS APPROVAL OF ITS
PROPOSED PILOT STEAM INJECTION PROJECT.

Docket No. 215-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. At the hearing, applicant testified the first well in the quarter-quarter section, the Fiedler 1A-10 identified in Docket No. 214-2011, will be drilled in the center; and four additional wells will be subsequently drilled on 10-acre spots surrounding the initial well. These four wells and the injection well will be used in a pilot steam injection project.
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 Longshot Oil, LLC is authorized to drill four oil test wells less than 6000' deep at the following locations in the NE¼SE¼ of Section 10, T24N-R7E, Chouteau County, Montana, Taylor 1B-15 well – 2320' FSL and 330' FEL; Doughty 1C-15 well – 2320' FSL and 990' FEL; Landry 1D-15 well – 1660' FSL and 990' FEL; and the Fulton 1E-15 well – 1660' FSL and 330' FEL.

IT IS FURTHER ORDERED that the proposed pilot steam injection project is hereby approved for a period of one year.

BOARD ORDER NO. 158-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF COWRY
ENTERPRISES, LTD TO CONVERT THE
RDU #5 WELL (API #25-083-21512) IN THE NW¼NE¼
OF SECTION 11, T23N-R59E, RICHLAND COUNTY,
MONTANA (RIDGELAWN FIELD), AS A CLASS II
SALTWATER DISPOSAL WELL IN THE LOWER
NISKU FORMATION AT A DEPTH OF
APPROXIMATELY 10,388-10,402 FEET, AND/OR
THE DAKOTA FORMATION AT A DEPTH OF
APPROXIMATELY 5,120-5,270 FEET.

ORDER 159-2011

Docket No. 216-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 159-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF PLAIN
ENERGY USA, LLC TO DRILL A GAS WELL IN
SECTION 21, T34N-R3W, TOOLE COUNTY, MONTANA,
TO TEST ALL FORMATIONS BELOW THE BASE OF
THE MADISON FORMATION, SAID WELL TO BE
LOCATED 450' FSL AND 2330' FEL OF SAID SECTION
21 AS AN EXCEPTION TO A.R.M. 36.22.702.
APPLICANT WILL FILE FOR PERMANENT SPACING
WITHIN 90 DAYS OF FIRST PRODUCTION FROM A
COMMERCIAL NATURAL GAS WELL.

ORDER 160-2011

Docket No. 217-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 160-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF PLAIN
ENERGY USA, LLC TO DRILL A
GAS WELL IN SECTION 12, T35N-R4W,
TOOLE COUNTY, MONTANA, TO TEST
ALL FORMATIONS BELOW THE BASE
OF THE MADISON FORMATION, SAID
WELL TO BE LOCATED 440' FNL AND
1360' FWL OF SAID SECTION 12 AS AN
EXCEPTION TO A.R.M. 36.22.702.
APPLICANT WILL FILE FOR PERMANENT
SPACING WITHIN 90 DAYS OF FIRST
PRODUCTION FROM A COMMERCIAL
NATURAL GAS WELL.

ORDER 161-2011

Docket No. 218-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

BOARD ORDER NO. 161-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Ronald S. Efta, Board Member

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF SM ENERGY
COMPANY TO CONVERT THE GRANLEY
CRUSCH 1-10H WELL (API #25-085-21656) LOCATED
IN THE NE¼NW¼ OF SECTION 10, T28N-R58E,
ROOSEVELT COUNTY, MONTANA (NORTH
BAINVILLE FIELD), TO A CLASS II SALTWATER
DISPOSAL WELL IN THE DAKOTA FORMATION AT
A DEPTH OF APPROXIMATELY 5,236-5,364 FEET.
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.

ORDER 162-2011

Docket No. 219-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 162-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF SHAKESPEARE
OIL COMPANY, INC. TO VACATE
BOARD ORDER 112-2010 (WHICH CREATED A
TEMPORARY SPACING UNIT COMPRISED OF
SECTIONS 11 AND 14, T36N-R54E, SHERIDAN
COUNTY, MONTANA), AND TO CREATE INSTEAD
A TEMPORARY SPACING UNIT COMPRISED OF
ALL OF SECTIONS 2 AND 11, T36N-R54E,
SHERIDAN COUNTY, MONTANA, TO DRILL A
HORIZONTAL BAKKEN FORMATION WELL
WITHIN SAID TEMPORARY SPACING UNIT BUT
NOT CLOSER THAN 660' (HEEL/TOE SETBACK)
AND 1320' (LATERAL SETBACK) TO THE
BOUNDARIES THEREOF. APPLICANT WILL
FILE FOR PERMANENT SPACING WITHIN 90
DAYS OF SUCCESSFUL COMPLETION OF THE
PROPOSED HORIZONTAL WELL.

ORDER 163-2011

Docket No. 220-2011 & 22-2011 FED

Report of the Board

The above entitled cause came on for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

IT IS FURTHER ORDERED that applicant will file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

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

BOARD ORDER NO. 163-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CENTRAL
MONTANA RESOURCES, LLC TO CREATE A
TEMPORARY SPACING UNIT COMPRISED OF ALL OF
SECTION 5, T12N-R35E, ROSEBUD COUNTY, MONTANA,
TO DRILL A HORIZONTAL HEATH FORMATION WELL
WITHIN SAID SPACING UNIT AT ANY LOCATION NOT
CLOSER THAN 330' TO THE BOUNDARIES THEREOF.
APPLICANT WILL FILE FOR PERMANENT SPACING
WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF
THE PROPOSED HORIZONTAL WELL.

ORDER 164-2011

Docket No. 221-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 5, T12N-R35E, Rosebud County, Montana, is designated a temporary spacing unit to drill a horizontal Heath Formation well within said spacing unit at any location not closer than 330' feet to the boundaries thereof.

IT IS FURTHER ORDERED that applicant will file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

BOARD ORDER NO. 164-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF OASIS
PETROLEUM, INC. TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF ALL OF SECTIONS 29
AND 32, T29N-R59E, ROOSEVELT COUNTY, MONTANA,
TO DRILL A HORIZONTAL BAKKEN/THREE FORKS
FORMATION ANYWHERE WITHIN SAID TEMPORARY
SPACING UNIT BUT NOT CLOSER THAN 660' (HEEL/TOE
SETBACK) AND 1320' (LATERAL SETBACK) FROM
THE BOUNDARIES THEREOF. APPLICANT WILL
FILE FOR PERMANENT SPACING WITHIN 90 DAYS
OF SUCCESSFUL WELL COMPLETION.

ORDER 165-2011

Docket No. 223-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 29 and 32, T29N-R59E, Roosevelt County, Montana, is hereby granted as applied for.

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

BOARD ORDER NO. 165-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO AMEND THE FOLLOWING
BOARD ORDERS WHICH ESTABLISHED TEMPORARY SPACING
UNITS WITH 660 FOOT SETBACKS ON THE FOLLOWING LANDS
IN RICHLAND COUNTY, MONTANA, TO AUTHORIZE THE
DRILLING OF HORIZONTAL BAKKEN/THREE FORKS
FORMATION WELLS ANYWHERE WITHIN EACH SPACING UNIT
BUT NOT CLOSER THAN 200 FEET TO THE NORTH/SOUTH
BOUNDARIES AND 500 FEET TO THE EAST/WEST BOUNDARIES:

ORDER 166-2011

BOARD ORDER 149-2010, SECTIONS 4 AND 9, T25N-R56E
BOARD ORDER 150-2010, SECTIONS 1 AND 12, T26N-R54E
BOARD ORDER 151-2010, SECTIONS 15 AND 22, T26N-R56E
BOARD ORDER 193-2010, SECTIONS 1 AND 12, T25N-R55E
BOARD ORDER 194-2010, SECTIONS 2 AND 11, T25N-R55E
BOARD ORDER 195-2010, SECTIONS 1 AND 12, T25N-R56E
BOARD ORDER 196-2010, SECTIONS 2 AND 11, T25N-R56E
BOARD ORDER 197-2010, SECTIONS 3 AND 10, T25N-R56E
BOARD ORDER 198-2010, SECTION 16 AND 21, T25N-R56E
BOARD ORDER 199-2010, SECTIONS 6 AND 7, T26N-R54E
BOARD ORDER 200-2010, SECTIONS 21 AND 28, T26N-R54E
BOARD ORDER 201-2010, SECTIONS 16 AND 21, T26N-R56E
BOARD ORDER 202-2010, SECTIONS 17 AND 20, T26N-R56E
BOARD ORDER 203-2010, SECTIONS 15 AND 22, T27N-R54E
BOARD ORDER 204-2010, SECTIONS 17 AND 20, T27N-R55E
BOARD ORDER 205-2010, SECTIONS 14 AND 23, T26N-R54E

Docket No. 399-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. At the hearing, applicant explained that the temporary spacing units listed in the caption were initially authorized with 660' setbacks, and that this request is to amend all of the Board Orders establishing those temporary spacing units to allow 200' heel/toe setbacks and 500' lateral setbacks in each spacing unit.
3. Applicant agreed to follow the Board's policy in which the first well drilled in a 2-section spacing unit maintain a lateral setback of no less than 1320' from the spacing unit boundary.
4. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

BOARD ORDER NO. 166-2011

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Board Orders listed in the caption are hereby amended to authorize the drilling of horizontal Bakken/Three Forks Formation wells anywhere within each spacing unit but not closer than 200' (heel/toe setback) boundaries and 1320' (lateral setback) to the boundaries thereof.

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

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

I dissent.

Ron Efta , Board Member

I dissent.

Jack King, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO AMEND BOARD
ORDER 149-2005, WHICH CREATED A TEMPORARY
SPACING UNIT AND AUTHORIZED THE DRILLING OF
ONE MULTI-LATERAL HORIZONTAL WELL TO THE
BAKKEN FORMATION, TO AUTHORIZE INSTEAD A
SINGLE LATERAL HORIZONTAL BAKKEN/THREE
FORKS FORMATION WELL TO BE DRILLED IN THE
EXISTING TEMPORARY SPACING UNIT COMPRISED
OF SECTIONS 17 AND 20, T26N-R54E, RICHLAND
COUNTY, MONTANA.

ORDER 167-2011

Docket No. 400-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 149-2005, which created a temporary spacing unit comprised of Sections 17 and 20, T26N-R54E, Richland County, Montana, and authorized the drilling of a multi-lateral Bakken Formation horizontal well, is hereby amended to authorize the drilling of a single lateral horizontal Bakken/Three Forks Formation in said temporary spacing unit.

IT IS FURTHER ORDERED that said well shall be located no closer than 200' (toe and heel setback) and 1320' (lateral setback) from spacing unit boundaries.

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. 167-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent.

Ronald S. Efta, Board Member

I dissent.

Jack King, Board Member

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO AMEND BOARD
ORDER 437-2005, TO AUTHORIZE A SINGLE BAKKEN/
THREE FORKS HORIZONTAL WELL TO BE DRILLED
IN THE EXISTING TEMPORARY SPACING UNIT
COMPRISED OF SECTIONS 3 AND 10, T26N-R55E,
RICHLAND COUNTY, MONTANA, AT ANY LOCATION
NOT CLOSER THAN 200 FEET TO THE NORTH/SOUTH
BOUNDARIES AND 500 FEET TO THE EAST/WEST
BOUNDARIES.

ORDER 168-2011

Docket No. 401-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. At the time of hearing, applicant agreed to comply with Board policy which requires that the initial well in a 2-section spacing unit have a lateral setback of not less than 1320' from the spacing unit boundaries.
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 Board Order 437-2005 is hereby amended to authorize the drilling of a single Bakken/Three Forks horizontal well in the existing temporary spacing unit comprised of Sections 3 and 10, T26N-R55E, Richland County, Montana, at any location not closer than 200' (heel/toe setback) and 1320' (lateral setback) to the boundaries thereof.

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

BOARD ORDER NO. 168-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent.

Ronald S. Efta, Board Member

I dissent.

Jack King, Board Member

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

UPON THE APPLICATION OF CONTINENTAL RESOURCES, INC. TO CREATE A TEMPORARY SPACING UNIT COMPRISED OF SECTIONS 2 AND 11, T26N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL THEREON AT ANY LOCATION NOT CLOSER THAN 200 FEET TO THE NORTH/SOUTH BOUNDARIES AND 500 FEET TO THE EAST/WEST BOUNDARIES OF THE REQUESTED TEMPORARY SPACING UNIT. APPLICANT STATES IT WILL FILE A PERMANENT SPACING APPLICATION WITH THE BOARD WITHIN 90 DAYS OF COMPLETION OF A COMMERCIAL WELL.

ORDER 169-2011

Docket No. 402-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. At the time of hearing applicant agreed to comply with Board policy which requires that the initial well in a 2-section spacing unit have a lateral setback of not less than 1320' from the spacing unit boundaries.
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 Sections 2 and 11, T26N-R53E, Richland County, Montana, is designated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well thereon at any location not closer than 200' (heel/toe setback) and 1320' (lateral setback) to the boundaries thereof.

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

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

BOARD ORDER NO. 169-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent.

Ronald S. Efta, Board Member

I dissent.

Jack King, Board Member

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO CREATE A TEMPORARY
SPACING UNIT COMPRISED OF SECTIONS 14 AND 23,
T26N-R53E, RICHLAND COUNTY, MONTANA, TO DRILL A
HORIZONTAL BAKKEN/THREE FORKS FORMATION WELL
THEREON AT ANY LOCATION NOT CLOSER THAN 200 FEET
TO THE NORTH/SOUTH BOUNDARIES AND 500 FEET TO
THE EAST/WEST BOUNDARIES OF THE REQUESTED
TEMPORARY SPACING UNIT. APPLICANT STATES IT WILL
FILE A PERMANENT SPACING APPLICATION WITH THE
BOARD WITHIN 90 DAYS OF SUCCESSFUL COMPLETION.

ORDER 170-2011

Docket No. 404-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. At the time of hearing applicant agreed to comply with Board policy which requires that the initial well in a 2-section spacing unit have a lateral setback of not less than 1320' from the spacing unit boundaries.
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 all of Sections 14 and 23, T26N-R53E, Richland County, Montana, is delineated a temporary spacing unit to drill a horizontal Bakken/Three Forks Formation well at any location not closer than 200' (heel/toe setback) and 1320' (lateral setback) to the boundaries thereof.

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

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. 170-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Jay Gunderson, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent.

Ronald S. Efta, Board Member

I dissent.

Jack King, Board Member

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO CREATE A
PERMANENT SPACING UNIT COMPRISED OF ALL
OF SECTION 32, T27N-R54E, RICHLAND COUNTY,
MONTANA, FOR PRODUCTION OF THREE FORKS
FORMATION OIL AND ASSOCIATED NATURAL
GAS FROM APPLICANT'S JOANN 1-32H WELL.

ORDER 171-2011

Docket No. 416-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. The evidence indicates that granting the application 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 all of Section 32, T27N-R54E, Richland County, Montana, is designated a permanent spacing unit for production of Three Forks Formation oil and associated natural gas from applicant's Joann 1-32H well.

BOARD ORDER NO. 171-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CONTINENTAL
RESOURCES, INC. TO DESIGNATE AN
OVERLAPPING PERMANENT SPACING UNIT
COMPRISED OF ALL OF SECTIONS 25 AND 36,
T25N-R52E AND ALL OF SECTIONS 30 AND 31,
T25N-R53E, RICHLAND COUNTY, MONTANA, FOR
PRODUCTION OF BAKKEN FORMATION OIL AND
ASSOCIATED NATURAL GAS FROM THE
BLACKJACK-HANNA BR 1-36HSU WELL.

ORDER 172-2011

Docket No. 417-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 25 and 36, T25N-R52E and all of Sections 30 and 31, T25N-R53E, Richland County, Montana, are designated an overlapping permanent spacing unit, for production of Bakken Formation oil and associated natural gas from the Blackjack-Hanna BR 1-36HSU well.

BOARD ORDER NO. 172-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF CENTRAL
MONTANA RESOURCES LLC TO CREATE A
TEMPORARY SPACING UNIT COMPRISED OF ALL OF
SECTION 33, T14N-R37E, GARFIELD COUNTY,
MONTANA, TO DRILL A HORIZONTAL HEATH
FORMATION WELL AT ANY LOCATION NOT
CLOSER THAN 330' TO THE BOUNDARIES THEREOF.
APPLICANT WILL FILE FOR PERMANENT SPACING
WITHIN 90 DAYS OF SUCCESSFUL COMPLETION OF
THE PROPOSED HORIZONTAL WELL.

ORDER 173-2011

Docket No. 123-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. The evidence indicates that granting the application 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 all of Section 33, T14N-R37E, Garfield County, Montana, is designated a temporary spacing unit, to drill a horizontal Heath Formation well at any location not closer than 330' to the boundaries thereof.

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

BOARD ORDER NO. 173-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF TRUE
OIL LLC TO CREATE A TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTIONS 3 AND 10,
T25N-R58E, RICHLAND COUNTY, MONTANA, TO
DRILL A HORIZONTAL BAKKEN/THREE FORKS
FORMATION WELL AT ANY LOCATION NOT
CLOSER THAN 660' (HEEL/TOE SETBACK) AND
1320' (LATERAL SETBACK) TO THE BOUNDARIES
OF SAID SPACING UNIT. APPLICANT WILL FILE
FOR PERMANENT SPACING WITHIN 90 DAYS OF
SUCCESSFUL COMPLETION OF THE PROPOSED
HORIZONTAL WELL.

ORDER 174-2011

Docket No. 124-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

IT IS FURTHER ORDERED that applicant shall file for permanent spacing within 90 days of successful completion of the proposed horizontal well.

BOARD ORDER NO. 174-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF TRUE
OIL LLC TO CREATE A TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTIONS 4 AND 9,
T25N-R58E, RICHLAND COUNTY, MONTANA, TO
DRILL A HORIZONTAL BAKKEN/THREE FORKS
FORMATION WELL AT ANY LOCATION NOT
CLOSER THAN 660' (HEEL/TOE SETBACK) AND
1320' (LATERAL SETBACK) TO THE BOUNDARIES
OF SAID SPACING UNIT. APPLICANT WILL FILE
FOR PERMANENT SPACING WITHIN 90 DAYS OF
SUCCESSFUL COMPLETION OF THE PROPOSED
HORIZONTAL WELL.

ORDER 175-2011

Docket No. 125-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

IT IS FURTHER ORDERED that applicant shall apply for permanent spacing within 90 days of successful completion of the proposed horizontal well.

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

BOARD ORDER NO. 175-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE BOARD'S OWN MOTION TO REQUIRE
NORTH AMERICAN TECHNICAL TRADING COMPANY, INC.
TO APPEAR AND SHOW CAUSE, IF ANY IT HAS, WHY IT
SHOULD NOT BE ORDERED TO PLUG THE FOLLOWING
FOUR WELLS IN CABARET COULEE FIELD IN DANIELS
COUNTY, MONTANA, WHICH HAVE BEEN SHUT-IN FOR
OVER ONE YEAR:
THE FUGERE 4-19 WELL LOCATED IN THE SWSW OF
SECTION 19, T34N-R48E;
THE FUGERE 1 WELL LOCATED THE NWNW OF
SECTION 30, T34N-R48E;
THE GENDREAU 1-24 WELL LOCATED IN THE SWNE OF
SECTION 24, T34N-R47E; AND
THE SATURN STATE 1 WELL LOCATED IN THE NWNW
OF SECTION 24, T34N-R47E.

ORDER 176-2011

Docket No. 172-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. Attorney Loren J. O'Toole, II was present representing North American Technical Trading Company, Inc. (NATTCI). He testified there is litigation pending in Daniels County, Montana, regarding issues that affect this matter, and that NATTCI has done nothing to evaluate the potential of the four captioned wells.
3. A letter from Deanne M. Johnson was entered into the record. She is a mineral owner in the Fugere 4-19 and Fugere 1 wells, and is requesting the bond for these wells be forfeited, that the wells be placed on the Board's orphan well list, and that the mineral owners be given time to find a new lessee. Attorney Loren J. O'Toole, II testified Ms. Johnson's letter could be entered into the record without being read aloud by the Chair.
4. The Board's UIC director, George Hudak, said NATTCI also has two injection wells that are overdue for mechanical integrity tests: the Fisher 1-24 well in Section 24, T34N-R47E, Daniels County, Montana; and the Fugere 3-30 well in Cabaret Coulee in Section 30, T34N-R48E, Daniels County, Montana.
5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

BOARD ORDER NO. 176-2011

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that North American Technical Trading Company, Inc. must have the four captioned wells plugged by the August 11, 2011 public hearing .

IT IS FURTHER ORDERED that if the four captioned wells are not plugged by the August 11, 2011 public hearing a Show-Cause hearing for bond forfeiture for those wells and the two injection wells discussed in Findings of Fact #4 will be scheduled for the October 13, 2011 hearing.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE BOARD'S OWN MOTION TO REQUIRE
BENSUN ENERGY, LLC TO APPEAR AND SHOW CAUSE,
IF ANY IT HAS, WHY THE BN 11-11 AND 12-11 WELLS
LOCATED IN SECTION 11, T9N-R58E, FALLON COUNTY,
MONTANA, SHOULD NOT BE IMMEDIATELY PLUGGED
AND ABANDONED.

ORDER 177-2011

Docket No. 239-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. Mr. Frank Baxter was present representing Bensun Energy, LLC (Bensun). He testified the BN 11-11 is neither producing nor plugged, and the BN 12-11 is shut-in but not cleaned up.
3. Attorney Pat Bagley from Baker, Montana, was present representing the surface owner. He testified a restraining order will be filed against Bensun.
4. Board Order 2-A-2010 issued in October 2010, ordered that a \$5000 fine be imposed if the BN 11-11 was not producing or plugged and the BN 12-11 was not completely cleaned up by December 1, 2010. That was not done. Board Order 318-2010 issued in December 2010, ordered the fine be imposed, but delayed its collection until the Board's June 2011 hearing.
5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the \$5000 fine ordered in Board Order 2-A-2010 be collected.

IT IS FURTHER ORDERED that the BN 11-11 be plugged or producing by the Board's August 11, 2011 public hearing and that the BN 12-11 be cleaned up by that same date. If this is not done a Show-Cause hearing for bond forfeiture will be scheduled for the Board's October 13, 2011 public hearing.

IT IS FURTHER ORDERED that a new \$5000 fine is hereby imposed, to be collected at the Board's October 13, 2011 public hearing if the above work is not completed.

BOARD ORDER NO. 177-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE BOARD'S OWN MOTION TO REQUIRE
MOUNTAIN PACIFIC GENERAL, INC. TO APPEAR
AND SHOW CAUSE, IF ANY IT HAS, WHY ITS
BOND SHOULD NOT BE FORFEITED FOR FAILURE
TO PLUG THE FOSSUM #10-8 WELL LOCATED IN
SECTION 8, T35N-R1E, TOOLE COUNTY, MONTANA.

ORDER 178-2011

Docket No. 240-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. Attorney Loren J. O'Toole, II was present representing Mountain Pacific General, Inc. He testified that Mountain Pacific General, Inc. has contracted with Liquid Gold to plug the Fossum #10-8 well.
3. There is an outstanding fine of \$4700, which was ordered at the Board's February 9, 2011 business meeting, which is still accruing at the rate of \$50 per day.
4. Board Order 1-A-2010 ordered that the bond of Mountain Pacific General, Inc. be increased to \$250,000. That bond increase has not taken place.
5. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Mountain Pacific General, Inc. shall appear at the Board's August 11, 2011 public hearing to present a plan for plugging the Fossum #10-8 well, a plan for returning idle wells to production or plugging them, and a plan for increasing its bond to \$250,000.

IT IS FURTHER ORDERED that this matter is continued to the Board's August 11, 2011 public hearing, and, if the above-mentioned items are not addressed, a Show-Cause hearing will be scheduled for October 2011 to shut-in production for failure to perform any or all of the following: plug the Fossum 10-8 well, present a plan for idle wells, and/or increase the bond to \$250,000.

BOARD ORDER NO. 178-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE BOARD'S OWN MOTION TO REQUIRE
K2 AMERICA CORPORATION TO APPEAR AND SHOW CAUSE,
IF ANY IT HAS, WHY ITS BOND SHOULD NOT BE FORFEITED
OR OTHER PENALTIES APPLIED FOR ITS FAILURE TO PLUG
THE FOLLOWING WELLS BY SEPTEMBER 1, 2010:
A: THE NORTH FORK #5, LOCATED IN SECTION 3, T36N-R12W,
GLACIER COUNTY, MONTANA
B: THE BIG KNIFE #2, LOCATED IN SECTION 14, T31N-R6W,
PONDERA COUNTY, MONTANA
C: THE NORTH FORK #3, LOCATED IN SECTION 21, T37N-R12W,
GLACIER COUNTY, MONTANA

ORDER 179-2011

Docket No. 421-2010

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. Chief Field Inspector Steve Sasaki said all the captioned wells have been plugged.
2. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 179-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE BOARD'S OWN MOTION TO REQUIRE
BRENT ZIMMERMAN TO APPEAR AND SHOW CAUSE,
IF ANY HE HAS, WHY HE SHOULD NOT BE REQUIRED
TO IMMEDIATELY PLUG AND ABANDON THE
HERINGER 11-21 WELL LOCATED IN LUSTRE FIELD
IN THE NENW OF SECTION 11, T30N-R44E, VALLEY
COUNTY, MONTANA, FOR FAILURE TO COMPLY
WITH BOARD PRODUCTION REPORTING
REQUIREMENTS AND FAILURE TO PAY FINES
AND PENALTIES.

ORDER 180-2011

Docket No. 165-2011

Report of the Board

The above entitled cause came on regularly for hearing on the 16th day of June, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity present evidence, oral and documentary.
2. No one appeared at the hearing on behalf of Brent Zimmerman.
3. Board geologist Jim Halvorson said the \$500 fine and the \$80 penalty for late reports have been paid. He also said all delinquent production reports have been submitted.
4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that this matter is continued to the August 11, 2011 public hearing.

IT IS FURTHER ORDERED that staff write a letter to Brent Zimmerman and request he be present at the Board's August 11, 2011 public hearing to present a plan for future compliance.

BOARD ORDER NO. 180-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 16th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ronald S. Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE BOARD'S OWN MOTION TO REQUIRE
SLAWSON EXPLORATION COMPANY, INC. TO APPEAR
AND EXPLAIN WHY IT DRILLED THE SQUADRON 1-15-14H
WELL IN SECTION 15, T26N-R59E, ROOSEVELT COUNTY,
MONTANA, WITHOUT A VALID PERMIT,

ORDER NO. 1-A-2011

Report of the Board

The above entitled cause was scheduled for discussion at the Board's business meeting at 2:00 p.m. on Wednesday, June 15, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board.

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. Chief Field Inspector Steve Sasaki said the Squadron 1-15-14H well was spudded May 14, 2011, but not advertised until May 19 and June 5, 2011. A permit cannot be issued until the intent to drill is advertised and a 10-day waiting period for comments has passed. Slawson Exploration Company, Inc's (Slawson) actions violated the notice requirements set forth in Board rule 36.22.601. Mr. Sasaki recommended Slawson be fined \$5000.
3. Attorney John Lee appeared on behalf of Slawson. He said Slawson did, in fact, spud the Squadron 1-15-14H well without a permit. He asked for leniency. He said the premature drilling was not done to save a lease, and that Slawson's engineering department believed there was an approved permit when they started drilling the well. He stated he has witnessed much leniency for continual offenders and believes this is the first instance of non-compliance from Slawson for approximately 30 years.
4. Board Member Wayne Smith said there is clear process established in rule and from the bottom-up Slawson did it all wrong. He agrees with Mr. Sasaki that the fine is relevant to the non-compliance.
5. Taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Slawson Exploration Company, Inc. be fined \$5000 for drilling the Squadron 1-15-14H well without a valid permit.

BOARD ORDER 1-A-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 15th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Ron Efta, Board Member

Jack King, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent.

Don Bradshaw, Board Member

I dissent.

Jay Gunderson, Board Member

I dissent.

Bret Smelser, Board Member

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

UPON THE BOARD'S OWN MOTION TO COLLECT
ANNUAL INJECTION WELL FEES AND LATE
PENALTIES FROM JAKE OIL, LLC.

ORDER NO. 2-A-2011

Report of the Board

The above entitled matter was discussed at the Board's business meeting at 2:00 p.m. on Wednesday, June 15, 2011 at the Fairgrounds Commercial Building in Sidney, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board.

Findings of Fact

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

2. UIC Coordinator George Hudak said Jake Oil, LLC has not yet paid the \$200 annual injection well fee for the Federal 41-2 well in Mason Lake Field in Section 2, T8N-R24E, Musselshell County, Montana and for the Van Arsdale 14-35 well in Mason Lake Field in Section 35, T9N-R24E, Musselshell County, Montana (total due is \$400) .

3. UIC Coordinator George Hudak said Jake Oil, LLC has not yet paid the \$100 per well late penalty assessed for failure to pay the annual injection fee on the same two wells (total due is \$200).

4. UIC Coordinator George Hudak recommended an additional fine of \$500 be assessed, and that Jake Oil, LLC's authority to use the Federal 41-2 and Van Arsdale 14-35 injection wells be suspended until the fees are paid (total due is \$500).

5. Taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Jake Oil, LLC is hereby fined an additional \$500 for failure to pay outstanding annual injection well fees and late fees on the Federal 41-2 and Van Arsdale 14-35 wells described in Findings of Fact #2.

IT IS FURTHER ORDERED that the Board suspend Jake Oil, LLC's authority to use the aforementioned injection wells until the total fine of \$1100 as set forth in Findings of Fact #2, 3 and 4 above is paid.

BOARD ORDER 2-A-2011

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Sidney, Montana, this 15th day of June, 2011.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

Don Bradshaw, Board Member

Ron Efta, Board Member

Jay Gunderson, Board Member

Jack King, Board Member

Bret Smelser, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

