

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

UPON THE APPLICATION OF INTERSTATE EXPLORATIONS, LLC  
TO VACATE BOARD ORDER 92-1981 (YATES FIELD) INSOFAR  
AS IT CREATED A SPACING UNIT COMPRISED OF THE SE¼ OF  
SECTION 29 AND THE NE¼ OF SECTION 32, T14N-R60E, WIBAUX  
COUNTY, MONTANA; AND TO CREATE A 320 ACRE TEMPORARY  
SPACING UNIT COMPRISED OF THE E½ OF SECTION 29, T14N-R60E,  
WIBAUX COUNTY, MONTANA, TO DRILL A RED RIVER FORMATION  
WELL ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER  
THAN 660' TO THE SOUTH AND EAST BOUNDARIES THEREOF.

ORDER 474-2013

Docket No. 496-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. Board member Jack King recused himself and took no part in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 92-1981, insofar as it created a spacing unit comprised of the SE¼ of Section 29 and the NE¼ of Section 32, T14N-R60E, Wibaux County, Montana; is hereby vacated (Yates Field).

IT IS FURTHER ORDERED that the E½ of Section 29, T14N-R60E, Wibaux County, Montana, is designated a 320-acre temporary spacing unit to drill a Red River Formation well anywhere within said spacing unit but not closer than 660' to the boundaries thereof.

BOARD ORDER NO. 474-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF PETRO-HUNT, L.L.C. TO  
CREATE A PERMANENT SPACING UNIT COMPRISED  
OF THE S½ OF SECTION 17 AND THE N½ OF SECTION  
20, T19N-R54E, DAWSON COUNTY, MONTANA, FOR  
PRODUCTION OF RED RIVER FORMATION OIL AND  
ASSOCIATED NATURAL GAS FROM THE BOJE  
FARMS #19-54-17D-20-1H WELL.

ORDER 475-2013

Docket No. 504-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the S½ of Section 17 and the N½ of Section 20, T19N-R54E, Dawson County, Montana, is designated a permanent spacing unit for production of Red River Formation oil and associated natural gas from the Boje Farms #19-54-17D-20-1H well.

BOARD ORDER NO. 475-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF PETRO-HUNT, L.L.C. TO  
CREATE A PERMANENT SPACING UNIT COMPRISED  
OF THE W½ OF SECTION 21, T19N-R54E, DAWSON  
COUNTY, MONTANA, FOR PRODUCTION OF RED  
RIVER FORMATION OIL AND ASSOCIATED NATURAL  
GAS FROM THE OLSON #19-54-21B-2-1 WELL.

ORDER 476-2013

Docket No. 505-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice-Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the W½ of Section 21, T19N-R54E, Dawson County, Montana, is designated a permanent spacing unit for production of Red River Formation oil and associated natural gas from the Olson #19-54-21B-2-1 well.

BOARD ORDER NO. 476-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF PETRO-HUNT, L.L.C. TO  
CREATE A PERMANENT SPACING UNIT COMPRISED  
OF THE E½ OF SECTION 18, T19N-R54E, DAWSON  
COUNTY, MONTANA, FOR PRODUCTION OF RED  
RIVER FORMATION OIL AND ASSOCIATED NATURAL  
GAS FROM THE WALTER SENNER #19-54-18D-2-1 WELL.

ORDER 477-2013

Docket No. 506-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the E½ of Section 18, T19N-R54E, Dawson County, Montana, is designated a permanent spacing unit for production of Red River Formation oil and associated natural gas from the Walter Senner #19-54-18D-2-1 well.

BOARD ORDER NO. 477-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF PETRO-HUNT, L.L.C. TO  
CREATE A PERMANENT SPACING UNIT COMPRISED  
OF THE SW<sup>1</sup>/<sub>4</sub> OF SECTION 2 AND THE SE<sup>1</sup>/<sub>4</sub> OF  
SECTION 3, T19N-R54E, DAWSON COUNTY, MONTANA,  
FOR PRODUCTION OF RED RIVER FORMATION OIL  
AND ASSOCIATED NATURAL GAS FROM THE  
BORNTRAGER #2C-2-1 WELL.

ORDER 478-2013

Docket No. 507-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the SW<sup>1</sup>/<sub>4</sub> of Section 2 and the SE<sup>1</sup>/<sub>4</sub> of Section 3, T19N-R54E, Dawson County, Montana, is designated a permanent spacing unit for production of Red River Formation oil and associated natural gas from the Borntrager #2C-2-1 well.

BOARD ORDER NO. 478-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF PETRO-HUNT, L.L.C. TO  
CREATE A PERMANENT SPACING UNIT COMPRISED  
OF THE NW¼ OF SECTION 2, THE NE¼ OF SECTION 3,  
T19N-R53E, DAWSON COUNTY, MONTANA, AND THE  
SE¼ OF SECTION 34 AND THE SW¼ OF SECTION 35,  
T20N-R53E, DAWSON COUNTY, MONTANA, FOR  
PRODUCTION OF RED RIVER FORMATION OIL AND  
ASSOCIATED NATURAL GAS FROM THE AUSTBY  
#19-53-2B-34-1H WELL.

ORDER 479-2013

Docket No. 508-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the NW¼ of Section 2, the NE¼ of Section 3, T19N-R53E, and the SE¼ of Section 34 and the SW¼ of Section 35, T20N-R53E, Dawson County, Montana, is designated a permanent spacing unit for production of Red River Formation oil and associated natural gas from the Austby #19-53-2B-34-1H well.

BOARD ORDER NO. 479-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF EOG RESOURCES, INC. TO  
CREATE A PERMANENT SPACING UNIT COMPRISED OF  
ALL OF SECTIONS 35 AND 36, T28N-R59E, ROOSEVELT  
COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/  
THREE FORKS FORMATION OIL AND ASSOCIATED  
NATURAL GAS FROM THE STATELINE #13-3635H WELL.

ORDER 480-2013

Docket No. 509-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 35 and 36, T28N-R59E, Roosevelt County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Stateline #13-3635H 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. 480-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF EOG RESOURCES, INC. TO  
POOL ALL INTERESTS IN THE PERMANENT SPACING  
UNIT COMPRISED OF ALL OF SECTIONS 35 AND 36,  
T28N-R59E, ROOSEVELT COUNTY, MONTANA, FOR  
PRODUCTION OF BAKKEN/THREE FORKS FORMATION  
OIL AND ASSOCIATED NATURAL GAS, AND TO  
AUTHORIZE RECOVERY OF NON-CONSENT PENALTIES  
IN ACCORDANCE WITH SECTION 82-11-202 (2) M.C.A.  
WITH RESPECT TO THE STATELINE #13-3635H WELL.

ORDER 481-2013

Docket No. 510-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. At the hearing applicant testified it was not seeking risk penalties.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Sections 35 and 36, T28N-R59E, Roosevelt County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas with respect to the Stateline #13-3635H well.

BOARD ORDER NO. 481-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF EOG RESOURCES, INC.  
TO AUTHORIZE THE DRILLING OF AN ADDITIONAL  
HORIZONTAL BAKKEN/THREE FORKS FORMATION  
WELL IN THE PERMANENT SPACING UNIT COMPRISED  
OF ALL OF SECTIONS 35 AND 36, T28N-R59E, ROOSEVELT  
COUNTY, MONTANA, SAID WELL TO BE LOCATED  
ANYWHERE WITHIN SAID SPACING UNIT BUT NOT  
CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500'  
(LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES  
THEREOF.

ORDER 482-2013

Docket No. 511-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that EOG Resources, Inc. is authorized to drill an additional horizontal Bakken/Three Forks Formation well in the permanent spacing unit comprised of all of Sections 35 and 36, T28N-R59E, Roosevelt County, Montana, said well to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

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

BOARD ORDER NO. 482-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE PROTEST OF JAMES GRAMMAR OF GRAMMAR  
OIL AND GAS LLC OF THE MCR, LLC APPLICATION TO  
CONVERT THE FEDERAL 1-12 WELL (API #25-051-05460) IN  
THE SW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> OF SECTION 12, T37N-R4E, LIBERTY COUNTY,  
MONTANA, (WHITLASH FIELD), TO AN ENHANCED  
RECOVERY INJECTION WELL IN THE SWIFT FORMATION  
AT A DEPTH OF APPROXIMATELY 3223-3236 FT.

ORDER 483-2013

Docket No. 512-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared at the hearing to prosecute the protest on behalf of James Grammar or Grammar Oil and Gas LLC.
3. Mr. Richard Beatty appeared on behalf of MCR, LLC.
4. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the protest applicant, who bore the burden of proving the merit of the application, failed to appear and failed to prosecute the application.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the protest of James L. Grammar is dismissed.

BOARD ORDER NO. 483-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF VECTOR ENERGY CORPORATION  
TO VACATE BOARD ORDER 35-1965 WHICH ESTABLISHED  
THE RAGGED POINT TYLER "A" SAND UNIT COMPRISED  
OF THE FOLLOWING LANDS:

ORDER 484-2013

T11N-R30E

SECTION 8: E½NE, SE

SECTION 9: ALL

SECTION 10: W½SW, SESW

SECTION 15: NWNW

SECTION 16: N½N½

Docket No. 513-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. Applicant testified that the Ragged Point Tyler "A" Sand Unit has terminated under the terms of the Unit Agreement.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes the applicant demonstrated that the Ragged Point Tyler "A" Sand Unit has terminated and that Order 35-1965 can be vacated.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 35-1965 which established the Ragged Point Tyler "A" Sand Unit is hereby vacated.

BOARD ORDER NO. 484-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF VECTOR ENERGY CORPORATION TO AMEND BOARD ORDER 8-1959 (RAGGED POINT FIELD) TO VACATE SPACING FOR ALL OF SECTION 9, T11N-R30E, MUSSELSHELL COUNTY, MONTANA, WITH RESPECT TO THE TYLER FORMATION THEREUNDER; AND TO AUTHORIZE THE DRILLING OF VERTICAL TYLER FORMATION WELLS WITHIN SECTION 9, T11N-R30E, MUSSELSHELL COUNTY, MONTANA, ANYWHERE WITHIN SAID SECTION BUT NOT CLOSER THAN 330 FEET TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 485-2013

Docket No. 514-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Board Order 8-1959 (Ragged Point Field) is hereby amended to vacate spacing for all of Section 9, T11N-R30E, Musselshell County, Montana, with respect to the Tyler Formation thereunder; and to authorize the drilling of vertical Tyler Formation wells within Section 9, T11N-R30E, Musselshell County, Montana, anywhere within said section but not closer than 330' to the exterior boundaries thereof.

BOARD ORDER NO. 485-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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  
SECTION 34, T23N-R54E, RICHLAND COUNTY, MONTANA, FOR  
PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND  
ASSOCIATED NATURAL GAS FROM THE WILLIAMSON 1-34H WELL.

ORDER 486-2013

Docket No. 516-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 34, T23N-R54E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Williamson 1-34H well.

BOARD ORDER NO. 486-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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  
SECTION 27, T23N-R54E, RICHLAND COUNTY, MONTANA, FOR  
PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND  
ASSOCIATED NATURAL GAS FROM THE BLOUNT 1-27H WELL.

ORDER 487-2013

Docket No. 517-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 27, T23N-R54E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Blount 1-27H well.

BOARD ORDER NO. 487-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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 14 AND 23, T26N-R56E, RICHLAND COUNTY, MONTANA,  
FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL  
AND ASSOCIATED NATURAL GAS FROM THE MABEL 1-14H WELL.

ORDER 488-2013

Docket No. 518-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. Board member Jack King recused himself and took no part in the hearing 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 an opportunity to present evidence, oral and documentary.
2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 14 and 23, 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 Mabel 1-14H well.

BOARD ORDER NO. 488-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Bret Smelser, Board Member

ATTEST:

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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  
AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL  
HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN  
THE PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS  
14 AND 23, T26N-R56E, RICHLAND COUNTY, MONTANA, SAID  
WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT  
BUT NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500'  
(LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 489-2013

Docket No. 519-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. Board member Jack King recused himself and took no part in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Continental Resources, Inc. is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 14 and 23, T26N-R56E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

BOARD ORDER NO. 489-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Bret Smelser, Board Member

ATTEST:

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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  
SECTION 24, T23N-R53E, RICHLAND COUNTY, MONTANA, FOR  
PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND  
ASSOCIATED NATURAL GAS FROM THE ODAIR 1-24H WELL.

ORDER 490-2013

Docket No. 520-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 24, T23N-R53E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Odair 1-24H well.

BOARD ORDER NO. 490-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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 29 AND 32, T27N-R56E, RICHLAND COUNTY, MONTANA,  
FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL  
AND ASSOCIATED NATURAL GAS FROM THE MULHOLLAND  
FEDERAL 1-32H WELL.

ORDER 491-2013

Docket No. 522-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 29 and 32, T27N-R56E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Mulholland Federal 1-32H 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. 491-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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  
AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL  
HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE  
PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 29  
AND 32, T27N-R56E, RICHLAND COUNTY, MONTANA, SAID WELLS  
TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT  
NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL  
SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 492-2013

Docket No. 523-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Continental Resources, Inc. is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 29 and 32, T27N-R56E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

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

BOARD ORDER NO. 492-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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  
SECTION 30, T23N-R54E, RICHLAND COUNTY, MONTANA, FOR  
PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND  
ASSOCIATED NATURAL GAS FROM THE MIFFLIN 1-30H WELL.

ORDER 493-2013

Docket No. 524-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 30, T23N-R54E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Mifflin 1-30H well.

BOARD ORDER NO. 493-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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  
AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL  
HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE  
PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTION 30,  
T23N-R54E, RICHLAND COUNTY, MONTANA, SAID WELLS TO BE  
LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT  
CLOSER THAN 200' (HEEL/TOE SETBACK) AND 660' (LATERAL  
SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 494-2013

Docket No. 525-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Continental Resources, Inc. is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Section 30, T23N-R54E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 660' (lateral setback) to the exterior boundaries thereof.

BOARD ORDER NO. 494-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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 6 AND 7, T26N-R53E, RICHLAND COUNTY, MONTANA,  
FOR PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL  
AND ASSOCIATED NATURAL GAS FROM THE PARSONS FEDERAL  
1-6H WELL.

ORDER 495-2013

Docket No. 526-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 6 and 7, 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 Parsons Federal 1-6H 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. 495-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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  
AUTHORIZE THE DRILLING OF UP TO THREE ADDITIONAL  
HORIZONTAL BAKKEN/THREE FORKS FORMATION WELLS IN THE  
PERMANENT SPACING UNIT COMPRISED OF ALL OF SECTIONS 6  
AND 7, T26N-R53E, RICHLAND COUNTY, MONTANA, SAID WELLS  
TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT  
CLOSER THAN 200' (HEEL/TOE SETBACK) AND 500' (LATERAL  
SETBACK) TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 496-2013

Docket No. 527-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Continental Resources, Inc. is authorized to drill up to three additional horizontal Bakken/Three Forks Formation wells in the permanent spacing unit comprised of all of Sections 6 and 7, T26N-R53E, Richland County, Montana, said wells to be located anywhere within said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

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

BOARD ORDER NO. 496-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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 22, 23, 26 AND 27, T23N-R55E, RICHLAND COUNTY,  
MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS  
FORMATION OIL AND ASSOCIATED NATURAL GAS FROM THE  
LUCILLE/REIMANN HSU WELL.

ORDER 497-2013

Docket No. 528-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 22, 23, 26 and 27, T23N-R55E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Lucille/Reimann HSU well.

BOARD ORDER NO. 497-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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 10, 11, 14 AND 15, T23N-R55E, RICHLAND COUNTY,  
MONTANA, FOR PRODUCTION OF BAKKEN/THREE FORKS  
FORMATION OIL AND ASSOCIATED NATURAL GAS FROM THE  
ARDELLE/STACI HSU WELL.

ORDER 498-2013

Docket No. 529-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 10, 11, 14 and 15, T23N-R55E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Ardelle/Staci HSU well.

BOARD ORDER NO. 498-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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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  
SECTION 34, T23N-R53E, RICHLAND COUNTY, MONTANA, FOR  
PRODUCTION OF BAKKEN/THREE FORKS FORMATION OIL AND  
ASSOCIATED NATURAL GAS FROM THE LEPEL 1-34H WELL.

ORDER 499-2013

Docket No. 472-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 34, T23N-R53E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Lepel 1-34H well.

BOARD ORDER NO. 499-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF STATOIL OIL AND GAS LP TO  
CREATE A PERMANENT SPACING UNIT COMPRISED OF ALL  
OF SECTIONS 25, 26, 35 AND 36, T25N-R59E, RICHLAND  
COUNTY, MONTANA, FOR PRODUCTION OF BAKKEN/THREE  
FORKS FORMATION OIL AND ASSOCIATED NATURAL GAS  
FROM THE SUNDHEIM 26-35 #1-H AND SUNDHEIM  
26-35 #2-H WELLS.

ORDER 500-2013

Docket No. 345-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 25, 26, 35 and 36, T25N-R59E, Richland County, Montana, is designated a permanent spacing unit for production of Bakken/Three Forks Formation oil and associated natural gas from the Sundheim 26-35 #1-H and Sundheim 26-35 #2-H wells.

BOARD ORDER NO. 500-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF STATOIL OIL AND GAS LP TO  
POOL ALL INTERESTS IN THE PERMANENT SPACING UNIT  
COMPRISED OF ALL OF SECTIONS 25, 26, 35 AND 36,  
T25N-R59E, RICHLAND COUNTY, MONTANA, ON THE BASIS  
OF SURFACE ACREAGE, FOR PRODUCTION OF BAKKEN/  
THREE FORKS FORMATION OIL AND ASSOCIATED NATURAL  
GAS; AND FOR AUTHORIZATION TO RECOVER NON-CONSENT  
PENALTIES IN ACCORDANCE WITH SECTION 82-11-202 (2), M.C.A.  
WITH RESPECT TO THE SUNDHEIM 26-35 #1-H WELL.

ORDER 501-2013

Docket No. 346-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Sections 25, 26, 35 and 36, T25N-R59E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of Bakken/Three Forks Formation oil and associated natural gas.

IT IS FURTHER ORDERED that recovery on non-consent penalties in accordance with Section 82-11-202 (2), M.C.A. with respect to the Sundheim 26-35 #1-H well is hereby authorized.

BOARD ORDER NO. 501-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF STATOIL OIL AND GAS LP TO  
DRILL UP TO FIVE ADDITIONAL HORIZONTAL BAKKEN/  
THREE FORKS FORMATION WELLS IN THE SPACING UNIT  
COMPRISED OF ALL OF SECTIONS 25, 26, 35 AND 36,  
T25N-R59E, RICHLAND COUNTY, MONTANA, AT ANY  
LOCATION IN SAID SPACING UNIT BUT NOT CLOSER THAN  
200' (HEEL/TOE SETBACK) AND 500' (LATERAL SETBACK)  
TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER 502-2013

Docket No. 348-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Statoil Oil and Gas LP is authorized to drill up to five additional horizontal Bakken/Three Forks Formation wells in the spacing unit comprised of all of Sections 25, 26, 35 and 36, T25N-R59E, Richland County, Montana, at any location in said spacing unit but not closer than 200' (heel/toe setback) and 500' (lateral setback) to the exterior boundaries thereof.

BOARD ORDER NO. 502-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO  
CREATE A TEMPORARY SPACING UNIT COMPRISED OF  
ALL OF SECTION 7, T26N-R51E, RICHLAND COUNTY,  
MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE  
FORKS FORMATION WELL THEREON AT ANY LOCATION  
NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 660'  
(LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES  
THEREOF.

ORDER 503-2013

Docket No. 501-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

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

BOARD ORDER NO. 503-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO  
CREATE A TEMPORARY SPACING UNIT COMPRISED OF  
ALL OF SECTION 29, T26N-R51E, RICHLAND COUNTY,  
MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE  
FORKS FORMATION WELL THEREON AT ANY LOCATION  
NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 660'  
(LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES  
THEREOF.

ORDER 504-2013

Docket No. 502-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

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

BOARD ORDER NO. 504-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

\_\_\_\_\_  
Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF KRAKEN OIL & GAS LLC TO  
CREATE A TEMPORARY SPACING UNIT COMPRISED OF  
ALL OF SECTION 30, T26N-R51E, RICHLAND COUNTY,  
MONTANA, TO DRILL A HORIZONTAL BAKKEN/THREE  
FORKS FORMATION WELL THEREON AT ANY LOCATION  
NOT CLOSER THAN 200' (HEEL/TOE SETBACK) AND 660'  
(LATERAL SETBACK) TO THE EXTERIOR BOUNDARIES  
THEREOF.

ORDER 505-2013

Docket No. 503-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

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

BOARD ORDER NO. 505-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF THOR RESOURCES USA, LLC TO  
CREATE A TEMPORARY SPACING UNIT COMPRISED OF THE  
FOLLOWING LANDS IN TOOLE COUNTY, MONTANA, TO DRILL  
A HORIZONTAL NISKU FORMATION WELL ANYWHERE  
WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 330' TO  
THE EXTERIOR BOUNDARIES THEREOF.

ORDER 506-2013

T34N-R2W

SECTION 29: W $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$

SECTION 30: S $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ ,  
S $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ ,  
S $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$   
NE $\frac{1}{4}$ SW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ ,  
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ ,  
SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$

Docket No. 515-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Thor Resources USA, LLC 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. 506-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF DENBURY ONSHORE LLC TO  
AUTHORIZE THE DRILLING OF A HORIZONTAL RED RIVER  
(SILURO-ORDOVICIAN) FORMATION WELL WITHIN THE  
CORAL CREEK DEEP UNIT FROM A SURFACE LOCATION IN  
THE SE $\frac{1}{4}$ SW $\frac{1}{4}$  OF SECTION 2, T6N-R60E, FALLON COUNTY,  
MONTANA, TO A BOTTOM HOLE LOCATION IN THE  
SW $\frac{1}{4}$ SW $\frac{1}{4}$  OF SECTION 35 (670' FNUL, 776' FEUL), T7N-R60E,  
FALLON COUNTY, MONTANA, AS AN EXCEPTION TO  
BOARD ORDER 5-1995.

ORDER 507-2013

Docket No. 539-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

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

BOARD ORDER NO. 507-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF DENBURY ONSHORE LLC TO  
AUTHORIZE THE DRILLING OF A HORIZONTAL RED RIVER  
(SILURO-ORDOVICIAN) FORMATION WELL WITHIN THE  
CORAL CREEK DEEP UNIT FROM A SURFACE LOCATION IN  
THE NE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> OF SECTION 34 TO A BOTTOM HOLE LOCATION  
IN THE SW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> OF SECTION 34 (689' FNUL, 710' FEUL),  
T7N-R60E, FALLON COUNTY, MONTANA, AS AN  
EXCEPTION TO BOARD ORDER 5-1995.

ORDER 508-2013

Docket No. 540-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

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

Order

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

BOARD ORDER NO. 508-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF JUSTICE SWD, LLC TO  
ADD ADDITIONAL PERFORATIONS IN THE CHRISTENSEN  
TRUST 15-9 SALTWATER DISPOSAL WELL (API #25-091-21814)  
IN THE SW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> OF SECTION 9, T34N-R57E, SHERIDAN COUNTY,  
MONTANA, (WILDCAT) IN THE DAKOTA FORMATION AT A  
DEPTH OF APPROXIMATELY 5800-5910 FEET, AND IN THE  
KIBBEY FORMATION AT A DEPTH OF APPROXIMATELY  
6400-6550 FEET. AN AQUIFER EXEMPTION FOR THE KIBBEY  
FORMATION IS BEING REQUESTED, AS THE INJECTION ZONE  
MAY CONTAIN WATER WITH LESS THAN 10,000 MG/L TOTAL  
DISSOLVED SOLIDS.

ORDER 509-2013

Docket No. 541-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Conclusions of Law

The Board of Oil and Gas Conservation of the State of Montana concludes that the applicant met the requirements of A.R.M. 36.22.1422.

Order

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

BOARD ORDER NO. 509-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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

ORDER 510-2013

Docket No. 542-2013

Report of the Board

The above entitled cause came on regularly for hearing on the 12th day of December, 2013 at the Board's hearing room at 2535 St. Johns Avenue in Billings Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Vice Chairman Wayne Smith and Board member Peggy Ames-Nerud were absent from the hearing. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded an opportunity to present evidence, oral and documentary.
2. No one appeared at the hearing on behalf of Summer Night Oil Company, LLC. The administrative penalty has not been paid.
3. The evidence indicates that taking the following action will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Conclusions of Law

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Summer Night Oil Company, LLC is hereby fined \$500 for failure to appear.

IT IS FURTHER ORDERED that Summer Night Oil Company, LLC be scheduled for a show-cause hearing in February 2014 to determine why additional penalties should not be applied or why its wells should not be plugged.

BOARD ORDER NO. 510-2013

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 12th day of December, 2013.

BOARD OF OIL AND GAS CONSERVATION  
OF THE STATE OF MONTANA

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Linda Nelson, Chairman

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Ronald S. Efta, Board Member

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John Evans, Board Member

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Jack King, Board Member

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Bret Smelser, Board Member

ATTEST:

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Terri H. Perrigo, Executive Secretary

