

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

UPON THE APPLICATION OF
NANCE PETROLEUM CORPORATION TO
CREATE A 640-ACRE PERMANENT
SPACING UNIT FOR THE RATCLIFFE
FORMATION COMPRISED OF THE S½ OF
SECTION 25 AND THE N½ OF SECTION
36, T28N-R58E, ROOSEVELT COUNTY,
MONTANA, AND TO DESIGNATE
APPLICANT'S BAINVILLE STATE 36-1HR
WELL AS THE AUTHORIZED WELL FOR
SAID SPACING UNIT.

ORDER NO. 193-2006

Docket No. 224-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the S½ of Section 25 and the N½ of Section 36, T28N-R58E, Roosevelt County, Montana, are designated a permanent spacing unit for the Ratcliffe Formation.

IT IS FUTHER ORDERED that applicant's Bainville State 36-1HR is the authorized well for said spacing unit.

BOARD ORDER NO. 193-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
NANCE PETROLEUM CORPORATION TO
DELINEATE THE NE¼ OF SECTION 35
AND THE NW¼ OF SECTION 36,
T34N-R58E, SHERIDAN COUNTY,
MONTANA, AS A 320-ACRE
PERMANENT SPACING UNIT FOR THE
MISSION CANYON FORMATION AND TO
DESIGNATE APPLICANT'S COVA 1HR
WELL AS THE AUTHORIZED WELL FOR
SAID SPACING UNIT.

ORDER NO. 194-2006

Docket No. 225-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the NE¼ of Section 35 and the NW¼ of Section 36, T34N-R58E, Sheridan County, Montana, are designated as a permanent spacing unit for the Mission Canyon Formation.

IT IS FURTHER ORDERED that applicant's COVA 1HR well is the authorized well for said spacing unit.

BOARD ORDER NO. 194-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENCORE OPERATING, L.P. TO CONVERT
THE SHUT-IN SOUTH PINE 32X-26A WELL
(API # 25-025-22552) LOCATED IN THE
SW $\frac{1}{4}$ NE $\frac{1}{4}$ OF SECTION 26, T11N-R57E,
FALLON COUNTY, MONTANA, TO A
MISSION CANYON FORMATION SALT
WATER DISPOSAL WELL TO DISPOSE OF
PRODUCED WATER FROM APPLICANT'S
PINE FIELD OPERATIONS. [PINE FIELD]

ORDER NO. 195-2006

Docket No. 226-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 195-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENCORE OPERATING, L.P. TO CONVERT
THE TEMPORARILY ABANDONED
CORAL CREEK 42-03 WATER INJECTION
WELL (API # 25-025-05160) LOCATED IN
THE SE¼NE¼ OF SECTION 3, T6N-R60E,
FALLON COUNTY, MONTANA, TO A
SALT WATER DISPOSAL WELL TO
INJECT PRODUCED FLUIDS FROM
LOOKOUT BUTTE FIELD INTO THE
MISSION CANYON FORMATION.
[LOOKOUT BUTTE FIELD]

ORDER NO. 196-2006

Docket No. 227-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 196-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENCORE OPERATING, L.P. TO COMPLETE
THE SOUTH PINE 13-23A WELL
(API # 25-109-21175) LOCATED IN THE
NW¼ SW¼ OF SECTION 23, T11N-R57E,
WIBAUX COUNTY, MONTANA, AS A
MISSION CANYON FORMATION SALT
WATER DISPOSAL WELL TO INJECT
PRODUCED WATER FROM APPLICANT'S
SOUTH PINE FIELD OPERATIONS. THE
SOUTH PINE 13-23A WELL WAS
PERMITTED AS A WATER SOURCE WELL
IN THE MISSION CANYON FORMATION
BUT HAS NOT YET BEEN DRILLED.
[PINE FIELD]

ORDER NO. 197-2006

Docket No. 228-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 197-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENCORE OPERATING, L.P. TO COMPLETE
THE SOUTH PINE 14X-03A WELL
(API # 25-109-21171) LOCATED IN THE
SW¹/₄SW¹/₄ OF SECTION 3, T11N-R57E,
WIBAUX COUNTY, MONTANA, AS A
MISSION CANYON FORMATION SALT
WATER DISPOSAL WELL TO INJECT
PRODUCED WATER FROM APPLICANT'S
PINE FIELD OPERATIONS. THE SOUTH
PINE 14X-03A WELL WAS PERMITTED AS
A WATERFLOOD SOURCE WELL IN THE
MISSION CANYON FORMATION BUT HAS
NOT YET BEEN DRILLED. [PINE FIELD]

ORDER NO. 198-2006

Docket No. 229-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 198-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENCORE OPERATING, L.P. TO COMPLETE
THE SOUTH PINE 32X-05A WELL
(API # 25-109-21176) LOCATED IN THE
SW $\frac{1}{4}$ NE $\frac{1}{4}$ OF SECTION 5, T11N-R57E,
WIBAUX COUNTY, MONTANA, AS A
MISSION CANYON FORMATION SALT
WATER DISPOSAL WELL TO INJECT
PRODUCED WATER FROM APPLICANT'S
PINE FIELD OPERATIONS. THE SOUTH
PINE 32X-05A WELL WAS PERMITTED AS
A WATERFLOOD SOURCE WELL IN THE
MISSION CANYON FORMATION BUT
HAS NOT YET BEEN DRILLED. [PINE FIELD]

ORDER NO. 199-2006

Docket No. 230-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 199-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
TO CREATE A TEMPORARY SPACING UNIT
COMPRISED OF THE S $\frac{1}{2}$ SE $\frac{1}{4}$ OF SECTION
18 AND THE N $\frac{1}{2}$ NE $\frac{1}{4}$ OF SECTION 19,
T34N-R19E, BLAINE COUNTY, MONTANA,
TO DRILL AN EAGLE FORMATION WELL
AT A LOCATION 400' FSL AND 1250' FEL
OF SAID SECTION 18, WITH A 100-FOOT
TOLERANCE FOR TOPOGRAPHIC REASONS.

ORDER NO. 200-2006

Docket No. 232-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J. Burns Brown Operating Company is granted as applied for.

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

BOARD ORDER NO. 200-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
TO DRILL AN ADDITIONAL EAGLE
FORMATION WELL IN THE PERMANENT
SPACING UNIT COMPRISED OF SECTION 28,
T34N-R14E, HILL COUNTY, MONTANA, SAID
WELL TO BE LOCATED ANYWHERE IN SAID
SECTION 28 BUT NOT CLOSER THAN 990 FEET
TO THE EXTERIOR BOUNDARIES THEREOF.

ORDER NO. 201-2006

Docket No. 233-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J. Burns Brown Operating Company is granted as applied for.

BOARD ORDER NO. 201-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY
TO DRILL AN ADDITIONAL EAGLE
FORMATION WELL IN THE PERMANENT
SPACING UNIT COMPRISED OF SECTION
13, T34N-R18E, BLAINE COUNTY,
MONTANA, SAID WELL TO BE LOCATED
ANYWHERE IN SAID SECTION 13 BUT
NOT CLOSER THAN 990 FEET TO THE
EXTERIOR BOUNDARIES THEREOF.

ORDER NO. 202-2006

Docket No. 234-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J. Burns Brown Operating Company is granted as applied for.

BOARD ORDER NO. 202-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENERPLUS RESOURCES (USA) CORPORATION
TO DELINEATE A FIELD, ESTABLISH FIELD
RULES AND CREATE A PERMANENT SPACING
UNIT COMPRISED OF SECTIONS 30 AND 31,
T23N-R58E, RICHLAND COUNTY, MONTANA,
FOR PRODUCTION OF OIL AND ASSOCIATED
GAS FROM THE BAKKEN FORMATION.

ORDER NO. 203-2006

Docket No. 235-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 30 and 31, T23N-R58E, Richland County, Montana, are designated a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 203-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENERPLUS RESOURCES (USA) CORPORATION
TO DRILL AN ADDITIONAL HORIZONTAL
BAKKEN FORMATION WELL IN THE
PERMANENT SPACING UNIT COMPRISED OF
ALL OF SECTION 30, T24N-R57E, RICHLAND
COUNTY, MONTANA, SAID WELL TO BE
LOCATED ANYWHERE WITHIN THE SPACING
UNIT BUT NOT CLOSER THAN 660 FEET TO
THE BOUNDARIES THEREOF.

ORDER NO. 204-2006

Docket No. 236-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 204-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENERPLUS RESOURCES (USA) CORPORATION
TO DRILL AN ADDITIONAL HORIZONTAL
BAKKEN FORMATION WELL IN THE
PERMANENT SPACING UNIT COMPRISED OF
ALL OF SECTION 24, T24N-R55E, RICHLAND
COUNTY, MONTANA, SAID WELL TO BE
LOCATED ANYWHERE WITHIN THE SPACING
UNIT BUT NOT CLOSER THAN 660 FEET TO
THE BOUNDARIES THEREOF.

ORDER NO. 205-2006

Docket No. 237-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 205-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENERPLUS RESOURCES (USA) CORPORATION
TO DRILL AN ADDITIONAL HORIZONTAL
BAKKEN FORMATION WELL IN THE
PERMANENT SPACING UNIT COMPRISED OF
LOTS 1, 2, 3, 4, S½S½ (ALL) OF SECTION 3 AND
ALL OF SECTION 10, T24N-R55E, RICHLAND
COUNTY, MONTANA, SAID WELL TO BE
LOCATED ANYWHERE WITHIN SAID
PERMANENT SPACING UNIT BUT NOT CLOSER
THAN 660 FEET TO THE BOUNDARIES
THEREOF.

ORDER NO. 206-2006

Docket No. 238-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 206-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENERPLUS RESOURCES (USA) CORPORATION
TO DRILL AN ADDITIONAL HORIZONTAL
BAKKEN FORMATION WELL IN THE
PERMANENT SPACING UNIT COMPRISED OF
SECTIONS 16 AND 21, T24N-R57E, RICHLAND
COUNTY, MONTANA, SAID WELL TO BE
LOCATED ANYWHERE WITHIN SAID
PERMANENT SPACING UNIT BUT NOT CLOSER
THAN 660 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 207-2006

Docket No. 239-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 207-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ENERPLUS RESOURCES (USA) CORPORATION
TO DRILL AN ADDITIONAL HORIZONTAL
BAKKEN FORMATION WELL IN THE
PERMANENT SPACING UNIT COMPRISED OF
SECTIONS 30 AND 31, T23N-R58E, RICHLAND
COUNTY, MONTANA, SAID WELL TO BE
LOCATED ANYWHERE WITHIN SAID
PERMANENT SPACING UNIT BUT NOT
CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 208-2006

Docket No. 240-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Enerplus Resources (USA) Corporation is granted as applied for.

BOARD ORDER NO. 208-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
SLAWSON EXPLORATION COMPANY, INC.
TO CREATE A FIELD AND PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTION 36, T24N-R53E, RICHLAND
COUNTY, MONTANA, FOR PRODUCTION
OF OIL AND ASSOCIATED NATURAL
GAS FROM THE BAKKEN FORMATION.

ORDER NO. 209-2006

Docket No. 241-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 36, T24N-R53E, Richland County, Montana, is designated as a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 209-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
SLAWSON EXPLORATION COMPANY, INC.
TO CREATE A FIELD AND PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTION 28, T24N-R53E, RICHLAND
COUNTY, MONTANA, FOR PRODUCTION
OF OIL AND ASSOCIATED NATURAL
GAS FROM THE BAKKEN FORMATION.

ORDER NO. 210-2006

Docket No. 242-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 28, T24N-R53E, Richland County, Montana, is designated as a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 210-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
SLAWSON EXPLORATION COMPANY, INC.
TO CREATE A FIELD AND PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTION 22, T25N-R52E, RICHLAND
COUNTY, MONTANA, FOR PRODUCTION
OF OIL AND ASSOCIATED NATURAL
GAS FROM THE BAKKEN FORMATION.

ORDER NO. 211-2006

Docket No. 243-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 22, T25N-R52E, Richland County, Montana, is designated as a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

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. 211-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
SLAWSON EXPLORATION COMPANY, INC.
TO POOL ALL INTERESTS IN THE SPACING
UNIT COMPRISED OF ALL OF SECTION 22,
T25N-R52E, RICHLAND COUNTY,
MONTANA, FOR PRODUCTION OF OIL
AND ASSOCIATED NATURAL GAS FROM
THE BAKKEN FORMATION AND TO
AUTHORIZE RECOVERY OF NON-CONSENT
PENALTIES IN ACCORDANCE WITH
SECTION 82-11-202 (2), M.C.A.

ORDER NO. 212-2006

Docket No. 244-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Section 22, T25N-R52E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 212-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
STONE ENERGY CORPORATION TO
CREATE A TEMPORARY SPACING
UNIT COMPRISED OF LOTS
1, 2, 3, 4, 5, 6, S½NW¼, SW¼ (ALL)
OF SECTION 5 AND LOTS 1, 2, 3, 4,
S½N½, S½ (ALL) OF SECTION 6,
T21N-R60E, RICHLAND COUNTY,
MONTANA, AND TO DRILL A
HORIZONTAL BAKKEN FORMATION
WELL ANYWHERE WITHIN SAID
TEMPORARY SPACING UNIT BUT
NOT CLOSER THAN 660 FEET TO
THE BOUNDARIES THEREOF.

ORDER NO. 213-2006

Docket No. 245-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

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

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

BOARD ORDER NO. 213-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
STONE ENERGY CORPORATION TO
CREATE A FIELD AND PERMANENT
SPACING UNIT COMPRISED OF ALL
OF SECTION 27, T23N-R58E,
RICHLAND COUNTY, MONTANA,
FOR PRODUCTION OF OIL AND
ASSOCIATED NATURAL GAS FROM
THE BAKKEN FORMATION.

ORDER NO. 214-2006

Docket No. 246-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 27, T23N-R58E, Richland County, Montana, is designated as a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation.

BOARD ORDER NO. 214-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
STONE ENERGY CORPORATION TO DRILL
AN ADDITIONAL HORIZONTAL BAKKEN
FORMATION WELL IN THE PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTION 27, T23N-R58E, RICHLAND
COUNTY, MONTANA, SAID WELL TO
BE LOCATED ANYWHERE WITHIN
SAID PERMANENT SPACING UNIT BUT
NOT CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 215-2006

Docket No. 247-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 215-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
STONE ENERGY CORPORATION TO DRILL
AN ADDITIONAL HORIZONTAL BAKKEN
FORMATION WELL IN THE PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTION 11, T22N-R57E, RICHLAND
COUNTY, MONTANA, SAID WELL TO BE
LOCATED ANYWHERE WITHIN SAID
PERMANENT SPACING UNIT BUT NOT
CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 216-2006

Docket No. 248-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 216-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
EAST FORT PECK EXPLORATION, LLC
TO CREATE A TEMPORARY SPACING
UNIT COMPRISED OF ALL OF
SECTIONS 14 AND 23, T31N-R54E,
ROOSEVELT COUNTY, MONTANA,
AND TO DRILL A HORIZONTAL BAKKEN
FORMATION WELL ANYWHERE WITHIN
SAID TEMPORARY SPACING UNIT BUT
NOT CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 217-2006

Docket No. 249-2006 & 9-2006 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Some of the lands included in this application are federal and/or Indian lands under jurisdiction of the Bureau of Land Management (BLM) of the United States Department of Interior. The order for those lands will be issued by the BLM.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

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

BOARD ORDER NO. 217-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
HELIS OIL & GAS COMPANY, L.L.C. TO
CREATE A TEMPORARY SPACING
UNIT FOR PRODUCTION OF OIL FROM
ALL FORMATIONS TO A DEPTH OF
6300 FEET COMPRISED OF THE SE¹/₄ OF
SECTION 16, T30N-R45E, VALLEY
COUNTY, MONTANA, TO DRILL A TEST
WELL (THE DAHL #9-16) AT A
LOCATION ANYWHERE WITHIN SAID
TEMPORARY SPACING UNIT BUT NOT
CLOSER THAN 660 FEET TO THE
BOUNDARIES THEREOF AS AN
EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 218-2006

Docket No. 255-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The application was amended prior to hearing to test all zones and formations from an approximate depth of 5000 feet down to 6300 feet.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Helis Oil & Gas Company, L.L.C. is granted as applied for and amended as set forth in #2 under Findings of Fact.

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

BOARD ORDER NO. 218-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DRILL
AN ADDITIONAL GAS WELL TO TEST
ALL ZONES AND FORMATIONS FROM
THE SURFACE OF THE EARTH DOWN
TO THE BASE OF THE SPIKES ZONES
WITHIN THE TEMPORARY SPACING
UNIT COMPRISED OF ALL OF
SECTION 17, T36N-R7E, LIBERTY
COUNTY, MONTANA, SAID WELL TO
BE LOCATED ANYWHERE WITHIN
THE TEMPORARY SPACING UNIT BUT
NOT CLOSER THAN 990 FEET TO THE
BOUNDARIES THEREOF.

ORDER NO. 219-2006

Docket No. 256-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 219-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DRILL
AN ADDITIONAL GAS WELL TO TEST
ALL ZONES AND FORMATIONS FROM
THE SURFACE OF THE EARTH DOWN
TO THE BASE OF THE SPIKES ZONES
WITHIN THE PERMANENT SPACING
UNIT COMPRISED OF ALL OF SECTION
14, T37N-R6E, IN SAGE CREEK FIELD
IN LIBERTY COUNTY, MONTANA,
SAID WELL TO BE LOCATED
ANYWHERE WITHIN THE PERMANENT
SPACING UNIT BUT NOT CLOSER
THAN 990 FEET TO THE BOUNDARIES
THEREOF AS AN EXCEPTION TO
BOARD ORDER 38-77. [SAGE CREEK FIELD]

ORDER NO. 220-2006

Docket No. 257-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 220-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DRILL
AN ADDITIONAL GAS WELL TO TEST
ALL ZONES AND FORMATIONS FROM
THE SURFACE OF THE EARTH DOWN
TO THE BASE OF THE SPIKES ZONES
WITHIN THE PERMANENT SPACING
UNIT COMPRISED OF ALL OF SECTION
9, T37N-R6E, IN SAGE CREEK FIELD IN
LIBERTY COUNTY, MONTANA, SAID
WELL TO BE LOCATED ANYWHERE
WITHIN THE PERMANENT SPACING
UNIT BUT NOT CLOSER THAN 990
FEET TO THE BOUNDARIES THEREOF
AS AN EXCEPTION TO BOARD
ORDER 38-77. [SAGE CREEK FIELD]

ORDER NO. 221-2006

Docket No. 258-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 221-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DRILL
THREE ADDITIONAL EAGLE SAND
FORMATION GAS WELLS AT
LOCATIONS ANYWHERE WITHIN
THE PERMANENT SPACING UNIT
COMPRISED OF THE NE¼ OF SECTION
24, T30N-R15E, HILL COUNTY,
MONTANA, SAID WELLS TO BE
LOCATED ANYWHERE WITHIN THE
SPACING UNIT BUT NOT CLOSER
THAN 330 FEET TO THE BOUNDARIES
THEREOF AS AN EXCEPTION TO
BOARD ORDERS 10-70, 9-90, 1-90 FED,
3-90 FED AND 1-93 FED.

ORDER NO. 222-2006

Docket No. 259-2006 & 13-2006 FED

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Some of the lands contained in this application are federal and/or Indian lands under jurisdiction of the Bureau of Land Management (BLM) of the United States Department of Interior. The order for those lands will be issued by the BLM.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 222-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DRILL
AN ADDITIONAL NIOBRARA
FORMATION GAS WELL WITHIN THE
TEMPORARY SPACING UNIT
COMPRISED OF ALL OF SECTION 2,
T36N-R15E, HILL COUNTY, MONTANA,
ANYWHERE WITHIN SAID
TEMPORARY SPACING UNIT BUT NOT
CLOSER THAN 990 FEET TO THE
BOUNDARIES THEREOF AS AN
EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 223-2006

Docket No. 260-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Prior to hearing, applicant modified its request to omit reference to drilling an additional well. Instead, applicant requests authority to produce the existing Verploegen #2-16-36-15C well which is capable of producing from the Niobrara Formation.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Klabzuba Oil & Gas, Inc. is authorized to produce the Verploegen #2-16-36-15C well as the second Niobrara Formation gas well in the temporary spacing unit comprised of Section 2, T36N-R15E, Hill County, Montana.

BOARD ORDER NO. 223-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DRILL
AN ADDITIONAL GAS WELL TO TEST
ALL ZONES AND FORMATIONS FROM
THE SURFACE OF THE EARTH DOWN
TO THE BASE OF THE SPIKES ZONES
WITHIN THE TEMPORARY SPACING
UNIT COMPRISED OF ALL OF SECTION
10, T36N-R6E, LIBERTY COUNTY,
MONTANA, SAID WELL TO BE LOCATED
ANYWHERE WITHIN THE TEMPORARY
SPACING UNIT BUT NOT CLOSER THAN
990 FEET TO THE BOUNDARIES THEREOF.

ORDER NO. 224-2006

Docket No. 261-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 224-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
MONTANA LAND & EXPLORATION, INC.
TO CREATE A PERMANENT SPACING
UNIT COMPRISED OF ALL OF SECTION 2,
T33N-R21E, BLAINE COUNTY, MONTANA,
AND TO DESIGNATE ITS ML&E SW
CHERRY PATCH 7-2 EAGLE FORMATION
NATURAL GAS WELL AS THE
AUTHORIZED WELL FOR SAID
SPACING UNIT.

ORDER NO. 225-2006

Docket No. 262-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 2, T33N-R21E, Blaine County, Montana, is designated a permanent spacing unit for production of Eagle Formation natural gas.

IT IS FURTHER ORDERED that applicant's ML&E SW Cherry Patch 7-2 Eagle Formation natural gas well is the authorized well for said permanent spacing unit.

BOARD ORDER NO. 225-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
MONTANA LAND & EXPLORATION, INC.
TO POOL ALL INTERESTS IN THE
PERMANENT SPACING UNIT COMPRISED
OF SECTION 2, T33N-R21E, BLAINE
COUNTY, MONTANA, FOR PRODUCTION
OF NATURAL GAS FROM THE EAGLE
FORMATION.

ORDER NO. 226-2006

Docket No. 263-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 226-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
MONTANA LAND & EXPLORATION, INC.
TO CREATE A 640-ACRE PERMANENT
SPACING UNIT COMPRISED OF ALL OF
SECTION 10, T33N-R21E, BLAINE
COUNTY, MONTANA, AND TO
DESIGNATE ITS ML&E SW CHERRY
PATCH 13-10 EAGLE FORMATION
NATURAL GAS WELL AS THE
AUTHORIZED WELL FOR SAID
SPACING UNIT.

ORDER NO. 227-2006

Docket No. 264-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 10, T33N-R21E, Blaine County, Montana, is designated as a permanent spacing unit for production of Eagle Formation natural gas.

IT IS FURTHER ORDERED that applicant's ML&E SW Cherry Patch 13-10 Eagle Formation natural gas well is the authorized well for said spacing unit.

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. 227-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
MONTANA LAND & EXPLORATION, INC.
TO CREATE A PERMANENT SPACING
UNIT COMPRISED OF ALL OF SECTION
33, T33N-R21E, BLAINE COUNTY,
MONTANA, AND TO DESIGNATE ITS
ML&E SW CHERRY PATCH 4-33 EAGLE
FORMATION NATURAL GAS WELL AS
THE AUTHORIZED WELL FOR SAID
SPACING UNIT.

ORDER NO. 228-2006

Docket No. 265-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 33, T33N-R21E, Blaine County, Montana, is designated as a permanent spacing unit for production of Eagle Formation natural gas.

IT IS FURTHER ORDERED that applicant's ML&E SW Cherry Patch 4-33 Eagle Formation natural gas well is the authorized well for said spacing unit.

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. 228-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
MONTANA LAND & EXPLORATION, INC.
TO POOL ALL INTERESTS IN THE
PERMANENT SPACING UNIT COMPRISED
OF ALL OF SECTION 33, T33N-R21E,
BLAINE COUNTY, MONTANA, FOR
PRODUCTION OF NATURAL GAS FROM
THE EAGLE FORMATION AND TO
AUTHORIZE RECOVERY OF
NON-CONSENT PENALTIES AS SET
FORTH IN SECTION 82-11-202 (2), M.C.A.

ORDER NO. 229-2006

Docket No. 266-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. Applicant requests imposition of non-joinder penalties on unleased state and federal lands contained in this application.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of Section 33, T33N-R21E, Blaine County, Montana, are hereby pooled on the basis of surface acreage for production of natural gas from the Eagle Formation, and that applicant is authorized to recover non-consent penalties as set forth in Section 82-11-202 (2), M.C.A.

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. 229-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
DEVON ENERGY PRODUCTION COMPANY, L.P.
TO CREATE A PERMANENT SPACING UNIT
COMPRISED OF THE W½ OF SECTION 2 AND
THE E½ OF SECTION 3, T25N-R18E, BLAINE
COUNTY, MONTANA, FOR PRODUCTION OF
GAS FROM THE EAGLE FORMATION
THROUGH THE WELLBORE OF THE US
DIR #02-05-25-18 WELL.

ORDER NO. 230-2006

Docket No. 267-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the W½ of Section 2 and the E½ of Section 3, T25N-R18E, Blaine County, Montana, are delineated as a permanent spacing unit for production of natural gas from the Eagle Formation through the wellbore of the US DIR #02-05-25-18 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. 230-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
DEVON ENERGY PRODUCTION COMPANY, L.P.
TO CREATE A PERMANENT SPACING UNIT
COMPRISED OF THE E½ OF SECTION 20,
T25N-R18E, BLAINE COUNTY, MONTANA, FOR
PRODUCTION OF GAS FROM THE EAGLE
FORMATION THROUGH THE WELLBORE OF
THE US DIR #20-08-25-18 WELL.

ORDER NO. 231-2006

Docket No. 268-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the E½ of Section 20, T25N-R18E, Blaine County, Montana, is designated as a permanent spacing unit for production of natural gas from the Eagle Formation through the wellbore of the US DIR #20-08-25-18 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. 231-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
DEVON ENERGY PRODUCTION COMPANY, L.P.
TO CREATE A PERMANENT SPACING UNIT
COMPRISED OF THE S½ OF SECTION 28 AND
THE N½ OF SECTION 33, T25N-R18E, BLAINE
COUNTY, MONTANA, FOR PRODUCTION OF
GAS FROM THE EAGLE FORMATION THROUGH
THE WELLBORE OF THE US DIR #28-14-25-18 WELL.

ORDER NO. 232-2006

Docket No. 271-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the S½ of Section 28 and the N½ of Section 33, T25N-R18E, Blaine County, Montana, are designated as a permanent spacing unit for production of natural gas from the Eagle Formation through the wellbore of the US DIR #28-14-25-18 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. 232-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE PROTEST OF THE NORTHERN
CHEYENNE TRIBE TO THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY FOR A PERMIT TO DRILL AN
EXPLORATORY WELL (THE STATE 23EK-1680)
TO THE KING COAL BED AT A LOCATION 2206' FSL
AND 1980' FWL OF SECTION 16, T8S-R40E,
BIG HORN COUNTY, MONTANA.

ORDER NO. 233-2006

Docket No. 272-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The Northern Cheyenne Tribe submitted a protest letter regarding an application for permit to drill (APD) filed by Fidelity Exploration & Production Company (Fidelity). Fidelity's APD was docketed for hearing because of the Tribe's protest. No one from the Northern Cheyenne Tribe was present at the hearing. The letter from the Tribe protesting issuance of the drilling permit was read into the record and discussed.
3. Lands owned by the Northern Cheyenne Tribe are located over one mile from the proposed test well which is on state land and subject to the state's cultural resource review.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that staff is authorized to issue Fidelity Exploration & Production Company a permit to drill the State 23EK-1680 well to the King coal in Section 16, T8S-R40E, Big Horn County, Montana.

BOARD ORDER NO. 233-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE PROTEST OF THE NORTHERN
CHEYENNE TRIBE TO THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY FOR A PERMIT TO DRILL AN
EXPLORATORY WELL (THE STATE 23ER-1680)
TO THE ROBERTS COAL BED AT A LOCATION
2228' FSL AND 1939' FWL OF SECTION 16,
T8S-R40E, BIG HORN COUNTY, MONTANA.

ORDER NO. 234-2006

Docket No. 273-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The Northern Cheyenne Tribe submitted a protest letter regarding an application for permit to drill (APD) filed by Fidelity Exploration & Production Company (Fidelity). Fidelity's APD was docketed for hearing because of the Tribe's protest. No one from the Northern Cheyenne Tribe was present at the hearing. The letter protesting issuance of the drilling permit was read into the record and discussed.
3. Lands owned by the Northern Cheyenne Tribe are located over one mile from the proposed test well which is on state land and subject to the state's cultural resource review.
4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that staff is authorized to issue Fidelity Exploration & Production Company a permit to drill the State 23ER-1680 well to the Roberts coal in Section 16, T8S-R40E, Big Horn County, Montana.

BOARD ORDER NO. 234-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY TO ADD THE FOLLOWING
DESCRIBED LANDS TO THE CEDAR
CREEK GAS FIELD IN FALLON COUNTY,
MONTANA: THE NE $\frac{1}{4}$ OF SECTION 2 AND
THE W $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ OF SECTION 15 IN
T9N-R58E; AND THE W $\frac{1}{2}$ OF SECTION 34,
T10N-R58E. [CEDAR CREEK GAS FIELD]

ORDER NO. 235-2006

Docket No. 274-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the following lands are hereby added to the Cedar Creek Gas Field in Fallon County, Montana: the NE $\frac{1}{4}$ of Section 2 and the W $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15 in T9N-R58E; and the W $\frac{1}{2}$ of Section 34, T10N-R58E.

BOARD ORDER NO. 235-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY TO AMEND THE CEDAR CREEK
GAS FIELD RULES ESTABLISHED BY
BOARD ORDERS 1-61 AND 4-97 TO ALLOW
UP TO TEN (10) EAGLE SAND FORMATION
NATURAL GAS WELLS IN EACH 320-ACRE
PERMANENT SPACING UNIT WITHIN THE
FOLLOWING DESCRIBED LANDS IN
FALLON COUNTY, MONTANA, SAID
WELLS TO BE LOCATED ANYWHERE
WITHIN EACH SPACING UNIT BUT NOT
LESS THAN 660 FEET FROM THE
BOUNDARIES THEREOF WITH A 460-FOOT
TOPOGRAPHIC TOLERANCE:

ORDER NO. 236-2006

T6N-R60E

SECTION 22: E½
SECTION 23: ALL

T9N-R58E

SECTION 2: ALL
SECTION 3: ALL
SECTION 10: ALL
SECTION 11: ALL
SECTION 14: ALL
SECTION 15: ALL

T9N-R59E

SECTION 30: ALL

T10N-R57E

SECTION 1: E½

T10N-R58E

SECTION 6: ALL
SECTION 7: ALL

SECTION 8: ALL

SECTION 16: ALL

SECTION 17: ALL

SECTION 18: E½

SECTION 20: ALL

SECTION 21: ALL

SECTION 27: W½

SECTION 28: ALL

SECTION 29: E½

SECTION 33: ALL

SECTION 34: ALL

T11N-R57E

SECTION 36: ALL

T11N-R58E

SECTION 31: W½

Docket No. 275-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate 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:

BOARD ORDER NO. 236-2006

Findings of Fact

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

2. A protest letter from John L. Hadley, a surface owner in the Cedar Creek Field, was read into the record by the Chairman.

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Cedar Creek Gas Field rules established by Board Orders 1-61 and 4-97 are hereby amended to allow up to ten (10) Eagle Sand Formation natural gas wells in each 320-acre permanent spacing unit within the lands described in the caption, said wells to be located anywhere within each spacing unit but not less than 660 feet from the boundaries thereof with a 460-foot topographic tolerance.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Denzil Young, Vice-Chairman

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent. I think Fidelity gave inadequate responses to questions about Mr. Hadley's concerns.

Linda Nelson, Chairman

I dissent. I do not agree with the spacing and the evidence does not support the application.

Don Bradshaw, Board Member

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

UPON THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION
COMPANY TO AMEND ITS BADGER HILL
PROJECT PLAN OF DEVELOPMENT
ESTABLISHED IN BOARD ORDER 99-2003
AS FOLLOWS IN REGARD TO THE
FOLLOWING DESCRIBED LANDS WITHIN
CX FIELD IN BIG HORN COUNTY, MONTANA:

ORDER NO. 237-2006

T9S-R40E

SECTION 21: S $\frac{1}{2}$
SECTION 22: S $\frac{1}{2}$
SECTION 25: ALL
SECTION 26: ALL
SECTION 27: ALL
SECTION 28: ALL
SECTION 33: LOTS 1, 2, 3, & 4, N $\frac{1}{2}$ S $\frac{1}{2}$, N $\frac{1}{2}$ (ALL)
SECTION 34: LOTS 1, 2, 3, & 4, N $\frac{1}{2}$ S $\frac{1}{2}$, N $\frac{1}{2}$ (ALL)
SECTION 35: LOTS 1, 2, 3, & 4, N $\frac{1}{2}$ S $\frac{1}{2}$, N $\frac{1}{2}$ (ALL)
SECTION 36: LOTS 1, 2, 3, & 4, N $\frac{1}{2}$ S $\frac{1}{2}$, N $\frac{1}{2}$ (ALL)

T9S-R41E

SECTION 30: LOTS 5, 6, 7 & 8, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (ALL)
SECTION 31: LOTS 8, 9, 10, 11, 12, 13 & 14, NE $\frac{1}{4}$,
E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ (ALL)

APPLICANT REQUESTS THAT SECTIONS 21, 22, 27, 28, 33 AND 34 SET FORTH ABOVE BE ADDED TO THE BADGER HILLS PROJECT PLAN OF DEVELOPMENT. APPLICANT ALSO REQUESTS THAT THE BADGER HILLS PROJECT PLAN OF DEVELOPMENT BE AMENDED FROM ITS ORIGINAL PATTERN OF ONE (1) WELL PER COAL BED FOR EACH 160-ACRE GOVERNMENTAL QUARTER SECTION SPACING UNIT TO TWO (2) WELLS PER COAL BED FOR EACH SPACING UNIT ON THE ABOVE-DESCRIBED LANDS EXCEPT FOR SECTIONS 26, 34, 35 AND 36. APPLICANT FURTHER REQUESTS THAT, IN REGARD TO SECTIONS 26 AND 35 DESCRIBED ABOVE, THE BADGER HILLS PROJECT PLAN OF DEVELOPMENT BE AMENDED FROM AN ORIGINAL PATTERN OF FOUR (4) WELLS PER COAL BED FOR EACH SECTION TO EIGHT (8) WELLS PER COAL BED PER SECTION. APPLICANT FINALLY REQUESTS THAT, IN REGARD TO SECTIONS 34 AND 36 DESCRIBED ABOVE, THE BADGER HILLS PROJECT PLAN OF DEVELOPMENT BE AMENDED TO ALLOW UP TO THREE (3) WELLS PER COAL BED FOR EACH 160-ACRE GOVERNMENTAL QUARTER SECTION SPACING UNIT WITHIN EACH SECTION.

BOARD ORDER NO. 237-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Badger Hills Project Plan of Development (POD) established in Board Order 99-2003 is hereby amended as follows in regard to the captioned lands within the CX Field in Big Horn County, Montana.

1. Sections 21, 22, 27, 28, 33 and 34 set forth in the caption are added to the Badger Hills Project POD;
2. Two (2) wells per coal bed for each 160-acre governmental quarter section spacing unit are now allowed in each section set forth in the caption except for Sections 26, 34, 35 and 36;
3. In Sections 26 and 35 set forth in the caption, eight (8) wells per coal bed per section are now allowed; and
4. In Sections 34 and 36 set forth in the caption, three (3) wells per coal bed per each 160-acre governmental quarter section are now allowed.

IT IS FURTHER ORDERED that final approval of the application to amend the Badger Hills POD is subject to completion of an amended environmental assessment to address the increased well density.

BOARD ORDER NO. 237-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
FIDELITY EXPLORATION & PRODUCTION COMPANY
FOR AN EXCEPTION TO THE CX FIELD WELL
LOCATION AND WELL DENSITY RULES
ESTABLISHED IN BOARD ORDERS 108-97, 174-2000,
100-2003 AND 6-2004 TO DRILL AND PRODUCE THE
FOLLOWING COAL BED NATURAL GAS WELLS AT
THE FOLLOWING LOCATIONS IN BIG HORN COUNTY,
MONTANA:

ORDER NO. 238-2006

SECTION 27, T9S-R40E

24D1/2-2790 – 176' FSL AND 1681' FWL
24D3-2790 – 217' FSL AND 1705' FWL
33D3-2790 – 1559' FSL AND 2461' FEL
33M-2790 – 1566' FSL AND 2511' FEL
33C/W-2790 – 1573' FSL AND 2560' FEL

SECTION 34, T9S-R40E

41SM/D1-3490 – 1158' FNL AND 55' FEL
41D2-3490 – 1107' FNL AND 54' FEL
41D3-3490 – 1058' FNL AND 53' FEL
41M-3490 – 1010' FNL AND 52' FEL
41C/W-3490 – 960' FNL AND 51' FEL
43SM/D1-3490 – 1622' FSL AND 103' FEL
43D2-3490 – 1647' FSL AND 149' FEL
43D3-3490 – 1672' FSL AND 194' FEL

Docket No. 277-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. 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.

BOARD ORDER NO. 238-2006

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Fidelity Exploration & Production Company is granted as applied for.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
CREATE A PERMANENT SPACING
UNIT FOR THE BAKKEN FORMATION
COMPRISED OF ALL OF SECTIONS 1
AND 12, T24N-R52E, RICHLAND
COUNTY, MONTANA, AND TO
DESIGNATE ITS BABKA #1-12H WELL
AS THE AUTHORIZED WELL FOR SAID
SPACING UNIT.

ORDER NO. 239-2006

Docket No. 278-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 1 and 12, T24N-R52E, Richland County, Montana, are designated as a permanent spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Babka #1-12H well is the authorized well for said spacing unit.

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. 239-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
CREATE A PERMANENT SPACING
UNIT FOR THE BAKKEN FORMATION
COMPRISED OF ALL OF SECTIONS 33
AND 34, T23N-R56E, RICHLAND
COUNTY, MONTANA, AND TO
DESIGNATE ITS MARLYS #1-34H WELL
AS THE AUTHORIZED WELL FOR SAID
SPACING UNIT.

ORDER NO. 240-2006

Docket No. 279-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 33 and 34, T23N-R56E, Richland County, Montana, are designated a permanent spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Marlys #1-34H well is the authorized well for said spacing unit.

BOARD ORDER NO. 240-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC.
TO DRILL AN ADDITIONAL
BAKKEN FORMATION DUAL
LATERAL HORIZONTAL WELL IN
THE PERMANENT SPACING UNIT
COMPRISED OF ALL OF SECTIONS
33 AND 34, T23N-R56E, RICHLAND
COUNTY, MONTANA, WITH SAID
LATERALS TO BE LOCATED NO
CLOSER THAN 660 FEET TO THE
EXTERIOR BOUNDARIES OF SAID
SPACING UNIT.

ORDER NO. 241-2006

Docket No. 280-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 241-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
CREATE A PERMANENT SPACING
UNIT FOR THE BAKKEN FORMATION
COMPRISED OF ALL OF SECTIONS 9
AND 16, T23N-R55E, RICHLAND
COUNTY, MONTANA, AND TO
DESIGNATE ITS SWENDSEID #1-9H
WELL AS THE AUTHORIZED WELL
FOR SAID SPACING UNIT.

ORDER NO. 242-2006

Docket No. 281-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 9 and 16, T23N-R55E, Richland County, Montana, are designated a permanent spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Swendseid #1-9H well is the authorized well for said spacing unit.

BOARD ORDER NO. 242-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
DRILL AN ADDITIONAL BAKKEN
FORMATION DUAL LATERAL
HORIZONTAL WELL IN THE
PERMANENT SPACING UNIT
COMPRISED OF ALL OF SECTIONS 9
AND 16, T23N-R55E, RICHLAND
COUNTY, MONTANA, WITH SAID
LATERALS TO BE LOCATED NO
CLOSER THAN 660 FEET TO THE
EXTERIOR BOUNDARIES OF SAID
SPACING UNIT.

ORDER NO. 243-2006

Docket No. 282-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 243-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
CREATE A PERMANENT SPACING
UNIT FOR THE BAKKEN FORMATION
COMPRISED OF ALL OF SECTIONS 22
AND 27, T23N-R55E, RICHLAND
COUNTY, MONTANA, AND TO
DESIGNATE ITS LUCILLE #1-27H WELL
AS THE AUTHORIZED WELL FOR
SAID SPACING UNIT.

ORDER NO. 244-2006

Docket No. 283-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 22 and 27, T23N-R55E, Richland County, Montana, are designated a permanent spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Lucille #1-27H well is the authorized well for said spacing unit.

BOARD ORDER NO. 244-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
DRILL AN ADDITIONAL BAKKEN
FORMATION DUAL LATERAL
HORIZONTAL WELL IN THE
PERMANENT SPACING UNIT
COMPRISED OF ALL OF SECTIONS 22
AND 27, T23N-R55E, RICHLAND
COUNTY, MONTANA, WITH SAID
LATERALS TO BE LOCATED NO
CLOSER THAN 660 FEET TO THE
EXTERIOR BOUNDARIES OF SAID
SPACING UNIT.

ORDER NO. 245-2006

Docket No. 284-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 245-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
CREATE A PERMANENT SPACING
UNIT FOR THE BAKKEN FORMATION
COMPRISED OF ALL OF SECTION 4,
T23N-R55E AND ALL OF SECTION 33,
T24N-R55E, RICHLAND COUNTY,
MONTANA, AND TO DESIGNATE ITS
DOROTHY #1-4H WELL AS THE
AUTHORIZED WELL FOR SAID
SPACING UNIT.

ORDER NO. 246-2006

Docket No. 285-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Section 4, T23N-R55E and all of Section 33, T24N-R55E, Richland County, Montana, are designated a permanent spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Dorothy #1-4H well is the authorized well for said spacing unit.

BOARD ORDER NO. 246-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
POOL ALL INTERESTS IN THE
SPACING UNIT COMPRISED OF ALL
OF SECTION 4, T23N-R55E AND ALL
OF SECTION 33, T24N-R55E,
RICHLAND COUNTY, MONTANA, ON
THE BASIS OF SURFACE ACREAGE
FOR PRODUCTION FROM THE
BAKKEN FORMATION FROM THE
DOROTHY #1-4H WELL AND TO
AUTHORIZE RECOVERY OF
NON-JOINDER PENALTIES IN
ACCORDANCE WITH SECTION
82-11-202 (2), M.C.A.

ORDER NO. 247-2006

Docket No. 286-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Section 4, T23N-R55E and all of Section 33, T24N-R55E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production from the Bakken Formation from the Dorothy #1-4H well, and that applicant is authorized to recover non-joinder penalties in accordance with section 82-11-202 (2), M.C.A.

BOARD ORDER NO. 247-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
DRILL AN ADDITIONAL BAKKEN
FORMATION DUAL LATERAL
HORIZONTAL WELL IN THE
PERMANENT SPACING UNIT
COMPRISED OF ALL OF SECTION 4,
T23N-R55E AND ALL OF SECTION 33,
T24N-R55E, RICHLAND COUNTY,
MONTANA, WITH SAID LATERALS TO
BE LOCATED NO CLOSER THAN 660
FEET TO THE EXTERIOR BOUNDARIES
OF SAID SPACING UNIT.

ORDER NO. 248-2006

Docket No. 287-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 248-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC.
TO CREATE A PERMANENT
SPACING UNIT FOR THE BAKKEN
FORMATION COMPRISED OF ALL
OF SECTIONS 21 AND 28, T25N-R55E,
RICHLAND COUNTY, MONTANA,
AND TO DESIGNATE ITS BARBARA
#1-21H WELL AS THE AUTHORIZED
WELL FOR SAID SPACING UNIT.

ORDER NO. 249-2006

Docket No. 288-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. 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 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.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all of Sections 21 and 28, T25N-R55E, Richland County, Montana, are designated a permanent spacing unit for the Bakken Formation.

IT IS FURTHER ORDERED that applicant's Barbara #1-21H well is the authorized well for said spacing unit.

BOARD ORDER NO. 249-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC.
TO POOL ALL INTERESTS IN THE
SPACING UNIT COMPRISED OF
ALL OF SECTIONS 21 AND 28,
T25N-R55E, RICHLAND COUNTY,
MONTANA, ON THE BASIS OF
SURFACE ACREAGE FOR
PRODUCTION FROM THE
BAKKEN FORMATION FROM THE
BARBARA #1-21H WELL AND TO
AUTHORIZE RECOVERY OF
NON-JOINDER PENALTIES IN
ACCORDANCE WITH SECTION
82-11-202 (2), M.C.A.

ORDER NO. 250-2006

Docket No. 289-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all interests in the permanent spacing unit comprised of all of Sections 21 and 28, T25N-R55E, Richland County, Montana, are hereby pooled on the basis of surface acreage for production from the Bakken Formation from the Barbara #1-21H well, and that applicant is authorized to recover non-joinder penalties in accordance with section 82-11-202 (2), M.C.A.

BOARD ORDER NO. 250-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
CONTINENTAL RESOURCES, INC. TO
DRILL AN ADDITIONAL BAKKEN
FORMATION DUAL LATERAL
HORIZONTAL WELL IN THE
PERMANENT SPACING UNIT
COMPRISED OF ALL OF SECTIONS 21
AND 28, T25N-R55E, RICHLAND
COUNTY, MONTANA, WITH SAID
LATERALS TO BE LOCATED NO
CLOSER THAN 660 FEET TO THE
EXTERIOR BOUNDARIES OF SAID
SPACING UNIT.

ORDER NO. 251-2006

Docket No. 290-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

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

Order

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

BOARD ORDER NO. 251-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ECA HOLDINGS, L.P. TO POOL ALL
INTERESTS IN THE PERMANENT
SPACING UNIT COMPRISED OF THE
W $\frac{1}{2}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ AND SE $\frac{1}{4}$ OF SECTION
18 AND THE NE $\frac{1}{4}$ NW $\frac{1}{4}$ AND N $\frac{1}{2}$ NE $\frac{1}{4}$
OF SECTION 19, T5S-R17E,
STILLWATER COUNTY, MONTANA,
FOR PRODUCTION OF GREYBULL
FORMATION GAS FROM THE ORR #1
GAS WELL LOCATED IN THE NW $\frac{1}{4}$ SE $\frac{1}{4}$
OF SAID SECTION 18, AND TO
AUTHORIZE RECOVERY OF
NON-CONSENT PENALTIES IN
ACCORDANCE WITH SECTION
82-11-202(2), MCA.

ORDER NO. 252-2006

Docket No. 206-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. At the hearing, applicant amended its application to omit the request for non-joinder 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.

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 the W $\frac{1}{2}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ of Section 18 and the NE $\frac{1}{4}$ NW $\frac{1}{4}$ and N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 19, T5S-R17E, Stillwater County, Montana, are hereby pooled on the basis of surface acreage for production of Greybull Formation gas from the Orr #1 gas well located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 18.

BOARD ORDER NO. 252-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
ECA HOLDINGS, L.P. TO POOL ALL
INTERESTS IN THE PERMANENT
SPACING UNIT COMPRISED OF
THE W¹/₂SW¹/₄ AND SE¹/₄SW¹/₄ OF
SECTION 17 AND THE NW¹/₄ AND
W¹/₂NE¹/₄ OF SECTION 20, T5S-R17E,
STILLWATER COUNTY, MONTANA,
FOR PRODUCTION OF GREYBULL
FORMATION GAS FROM THE ORR #2
GAS WELL LOCATED IN THE
SW¹/₄SW¹/₄ OF SAID SECTION 17,
AND TO AUTHORIZE RECOVERY OF
NON-CONSENT PENALTIES IN
ACCORDANCE WITH SECTION
82-11-202(2), MCA.

ORDER NO. 253-2006

Docket No. 207-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. At the hearing, applicant amended its application to omit the request for non-joinder 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.

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 the W¹/₂SW¹/₄ and SE¹/₄SW¹/₄ of Section 17 and the NW¹/₄ and W¹/₂NE¹/₄ of Section 20, T5S-R17E, Stillwater County, Montana, are hereby pooled on the basis of surface acreage for production of Greybull Formation gas from the Orr #2 gas well located in the SW¹/₄SW¹/₄ of said Section 17.

BOARD ORDER NO. 253-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE APPLICATION OF
FLYING J OIL & GAS INC. TO
CREATE A 320-ACRE TEMPORARY
SPACING UNIT COMPRISED OF THE
S½S½ OF SECTION 13 AND THE N½N½
OF SECTION 24, T36N-R52E, SHERIDAN
COUNTY, MONTANA, TO DRILL A
HORIZONTAL WINNIPEGOSIS
FORMATION TEST WELL, SAID
WELL TO BE LOCATED ANYWHERE
WITHIN SAID TEMPORARY SPACING UNIT
BUT NOT LESS THAN 660 FEET
TO THE BOUNDARIES THEREOF,
AS AN EXCEPTION TO BOARD
ORDER 19A-1959 AND A.R.M. 36.22.703.

ORDER NO. 254-2006

Docket No. 216-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

Findings of Fact

1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
2. The application requested placement on the Default Docket, but it was not advertised that way and was scheduled for a regular hearing. No one appeared on the hearing date to protest or comment on the application so it was approved as part of the Default Docket.
3. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

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

BOARD ORDER NO. 254-2006

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Don Bradshaw, Board Member

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE BOARD'S OWN MOTION
REQUIRING MOUNTAIN PACIFIC
GENERAL, INC. TO APPEAR AND
SHOW CAUSE, IF ANY IT HAS, WHY
IT SHOULD NOT BE REQUIRED TO
IMMEDIATELY PLUG THE STATE
2-16 WELL IN THE W½NE¼ OF
SECTION 16, T2N-R20E, STILLWATER
COUNTY, MONTANA,
(API # 25-095-21085) AS PER THE
REQUEST OF THE TRUST LAND
MANAGEMENT DIVISION OF THE
MONTANA DEPARTMENT OF
NATURAL RESOURCES AND
CONSERVATION; AND WHY IT
SHOULD NOT IMMEDIATELY
PROVIDE A PLUGGING PLAN FOR
OTHER WELLS WHICH HAVE BEEN
SHUT-IN FOR MORE THAN ONE
YEAR, IN VIOLATION OF
A.R.M. 36.22.1303.

ORDER NO. 255-2006

Docket No. 223-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. Board member Don Bradshaw was also absent and did not participate 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 opportunity to present evidence, oral and documentary.
2. On the day of the hearing, Jeff Lyon of Mountain Pacific General, Inc. contacted the Board's Chief Field Inspector by phone to request the show-cause hearing on this matter be continued to the Board's July 27, 2006 public hearing.
3. The evidence indicates that addressing the matter in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

BOARD ORDER NO. 255-2006

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Mountain Pacific General, Inc. is hereby fined \$500 for failure to appear at this show-cause hearing.

IT IS FURTHER ORDERED that this matter is continued to the Board's July 27, 2006 public hearing, but will not be continued again.

IT IS FURTHER ORDERED that Mountain Pacific General, Inc. shall remit a \$10,000 cashiers check to the Board within one week of this hearing, with such funds to be used as a deposit toward plugging the State 2-16 well.

IT IS FURTHER ORDERED that, in the event, the State 2-16 well is not plugged by the Board's July 27, 2006 public hearing, the \$10,000 will be forfeited to the Board and the Board will plug the State 2-16 well using those funds and others if necessary.

IT IS FURTHER ORDERED that Mountain Pacific General, Inc. appear at the July 27, 2006 public hearing and present a plugging plan for all shut-in wells on its bond.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Elaine Mitchell, Board Member

Joan Stahl, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

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

UPON THE BOARD'S OWN MOTION
TO REQUIRE TOI OPERATING (TOI)
TO APPEAR AND SHOW CAUSE, IF
ANY IT HAS, WHY ITS WELLS IN
FALLON, RICHLAND AND WIBAUX
COUNTIES (INCLUDING TWO WELLS
OPERATED BY TOI BUT BONDED
BY BLACK HAWK RESOURCES)
SHOULD NOT BE SHUT-IN AND WHY
OTHER PENALTIES SHOULD NOT BE
APPLIED FOR FAILURE TO MAINTAIN
SURFACE EQUIPMENT AND
LOCATIONS IN A SATISFACTORY
MANNER.

ORDER NO. 256-2006

Docket No. 291-2006

Report of the Board

The above entitled cause came on regularly for hearing on the 15th day of June, 2006 in the conference room of the Billings Petroleum Club in the Billings Sheraton in Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Member Wayne Smith was absent and did not participate in the proceedings on this matter. Board member Don Bradshaw was also absent and did not participate 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 opportunity to present evidence, oral and documentary.
2. Mr. Keith Carver of TOI Operating (TOI) and Mr. Mike Gleason of PAR Investments appeared on behalf of TOI.
3. The evidence indicates that addressing the matter in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that all wells operated by TOI Operating in Fallon, Richland and Wibaux Counties, Montana, are hereby shut-in.

IT IS FURTHER ORDERED that TOI's shut-in wells can be turned back on when they are in compliance with the deficiency list provided to TOI by field staff after the Board's May 3, 2006 business meeting.

BOARD ORDER NO. 256-2006

IT IS FURTHER ORDERED that the Board shall again consider shutting-in all of TOI's producing wells if all of TOI's idle wells are not in compliance with Board regulations by Monday, July 24, 2006.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 15th day of June, 2006.

BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

Linda Nelson, Chairman

Denzil Young, Vice-Chairman

Jack King, Board Member

Elaine Mitchell, Board Member

ATTEST:

Terri H. Perrigo, Executive Secretary

I dissent. I feel the Board should have honored its original motion to shut-in all production, which was passed unanimously at the May 3, 2006 business meeting.

Joan Stahl, Board Member

