

MONTANA BOARD OF OIL & GAS CONSERVATION

BOND ACTIVITY SUMMARY July 8, 1997 through September 3, 1997

APPROVED BONDS

Beartooth Oil & Gas Company Billings, MT	1st Citizens Bank - Billings Letter of Credit 1997-09	Amount \$75,000 Type UIC Limited Effective 8/1/97
Bristol Resources Corporation Tulsa, OK	Underwriters Indemnity Co. Surety B6753	Amount \$10,000 Type UIC Single Effective 7/8/97
Burlington Resources, Inc. Midland, TX	National Fire Insurance of Hartford Surety 142114218	Amount \$400,000 Type UIC Blanket Effective 6/9/97
Central Resources, Inc. Denver, CO	Underwriters Indemnity Co. Surety B6807	Amount \$80,000 Type UIC Limited Effective 8/8/97
Charoil Company, Inc. Roundup, MT	1st Security Bank - Roundup Letter of Credit 001	Amount \$10,000 Type UIC Single Effective 7/22/97
Flying J Oil & Gas, Inc. North Salt Lake, UT	Continental Casualty Company Surety 158 677 640	Amount \$39,900 Type UIC Limited Effective 6/5/97
Grand Resources, Ltd Rockville, MD	1st Interstate Bank - Billings 2100001764	Amount \$20,000 Type UIC Limited Effective 6/20/97
Great Northern Drilling Co. Billings, MT	Stockman Bank - Billings CD 403-000-597-7	Amount \$5,000 Type Single-well Effective 7/23/97
Great Plains Operating, LLC Littleton, CO	1st Security Bank - Roundup CD 115138	Amount \$30,000 Type UIC Limited Effective 8/15/97

Griffon Petroleum, Inc. Calgary, Alberta	1st State Bank of Shelby CD 325772-2256	Amount \$25,000 Type Multi-well Effective 7/17/97
Home-State Royalty Corporation Tulsa, OK	Travelers Casualty & Surety Co. Surety 71 S 100083904-33 BCM	Amount \$112,900 Type UIC Limited Effective 7/1/97
KCS Resources, Inc. Worland, WY	Underwriters Indemnity Co. Surety B6774	Amount \$100,000 Type UIC Blanket Effective 7/9/97
KGH Operating Company Billings, MT	1st Bank - Billings CD 35002027177-0	Amount \$10,000 Type Single-well Effective 7/17/97
M & K Oil Company, Inc. Gillette, WY	1st Interstate Bank - Miles City Letter of Credit 84095	Amount \$1,851 Type UIC Single Effective 7/15/97
Michael T Buckley Sweetgrass, MT	1st State Bank of Shelby CD 174907-1266	Amount \$11,870 Type UIC Limited Effective 7/14/97
NRC Development, LLC Billings, MT	Yellowstone Bank - Billings CD 1989	Amount \$25,000 Type Multi-well Effective 8/12/97
Panther Creek Resources, LLC The Woodlands, TX	Underwriters Indemnity Co. Surety B6792	Amount \$20,000 Type UIC Single Effective 9/2/97
Redstone Gas Partners, LLC Denver, CO	1st Bank of Montana - Billings CD 350020262159	Amount \$25,000 Type Multi-well Effective 7/17/97
Rigel Petroleum, Inc. Calgary, Alberta	Underwriters Indemnity Co. Surety B6758	Amount \$25,000 Type Multi-well Effective 7/10/97

Sonkar, Inc. Sunburst, MT	1st State Bank of Shelby CD 835259-2257	Amount \$25,000 Type Multi-well Effective 7/17/97
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True Oil Company Casper, WY	Safeco Insurance Co. Surety 5878436	Amount \$95,000 Type UIC Blanket Effective 7/25/97
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Vision Exploration & Production LLC Wichita, KS	1st Interstate Bank West Billings CD 1300013953	Amount \$25,000 Type Multi-well Effective 6/27/97
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CANCELLED BONDS

North Central Oil Corporation Houston, TX	Seaboard Surety Company Surety 203501	Amount \$10,000 Type Blanket Effective 5/6/97
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Northland Operating Co. Billings, MT	1st Citizens Bank - Billings CD 18746	Amount \$10,000 Type Blanket Effective 8/28/97
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Northland Royalty Company Billings, MT	Underwriters Indemnity Co. Surety B06018	Amount \$5,000 Type Single-well Effective 9/3/97
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Northland Royalty Company Billings, MT	Underwriters Indemnity Co. Surety B04586	Amount \$5,000 Type Single-well Effective 9/3/97
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Petrana Exploration LLC Williston, ND	Montana State Bank - Plentywood CD 70945	Amount \$10,000 Type Single-well Effective 7/9/97
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Robert L. Hoss Denver, CO	The Aetna Casualty & Surety Co. 81S 23012 BCA	Amount \$10,000 Type Blanket Effective 8/26/97
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Tyrex Oil Company Casper, WY	Norwest Bank Helena CD 21204	Amount \$5,000 Type Single-well Effective 8/15/97
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CHANGES TO EXISTING BONDS

Aviara Energy Corporation Dallas, TX Replacement bond. United Pacific policy U 264 49 97 released.	Continental Casualty Co. Surety 158797423	Amount \$10,000 Type Single-well Effective 7/1/97
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Hunt Oil Company Dallas, TX Bond reclassified as a single-well bond. Bond number changed.	The Aetna Casualty & Surety Co. 71S100575973	Amount \$10,000 Type Single-well Effective 7/8/97
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King Sherwood Oil Company Great Falls, MT Existing CD # 4651 replaced.	Norwest Bank - Shelby 9000008480	Amount \$10,000 Type Limited Effective 6/24/97
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Sunburst Exploration, Inc. Denver, CO Replacement bond. Pacific Insurance policy BND 189 45 70 released.	Reliance Insurance Company Surety B2772096	Amount \$10,000 Type Blanket Effective 9/18/97
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FORFEITED BONDS

* Fred P. Klein Sidney, MT Bank reported CD cashed 7/18/94. Bank researching problem.	1st Bank - Helena CD 10864	Amount \$10,000 Type Blanket Effective 7/9/97
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JB Appling Midland, TX Surety notified and they intend to send \$10,000.	National Surety Corporation Surety SLR 5147459	Amount \$10,000 Type Blanket Effective 1/23/97
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RIDERS TO EXISTING BONDS

Burlington Resources, Inc. Midland, TX Bond number changed by Surety to: 142114915.	National Fire Insurance Company 142114218	Amount \$400,000 Type UIC Blanket Effective 6/9/97
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Headington Oil Company Dallas, TX Bond amount increased from \$10,000.	US Fidelity & Guaranty Co. Surety 56-0130-38013-95-8	Amount \$25,000 Type Multi-well Effective 5/20/97
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Samedan Oil Corporation Ardmore, OK Bond amount increased from \$10,000. Bond reclassified.	Safeco Insurance Company Surety 5895035	Amount \$20,000 Type UIC Limited Effective 7/30/97
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SUSPENDED BONDS

Ritter Laber & Associates, Inc.	Minneapolis Surety Dept. USF&G	Amount	\$10,000
Williston, ND	Surety 47-0130-10318-89-1	Type	Blanket
Bond suspended at request of Surety.		Effective	7/21/97

REQUEST FOR BOARD ACTION

Amoco Production Company has a \$625,000 bond with the EPA, in the form of a Financial Statement, to cover 19 wells. Amoco has requested a bond in the amount of \$150,000 to cover the same wells with the Board of Oil and Gas.

Croft Petroleum Company has a \$59,150 bond with the EPA, in the form of a Letter of Credit, to cover 7 wells. Croft intends to permit 2 additional injection wells. He requests that his bond be set at \$50,000 to cover the 9 wells with the Board of Oil and Gas.

**BOARD OF OIL AND GAS CONSERVATION
FINANCIAL REPORT
FISCAL YEAR 1997 (FINAL)**

OIL & GAS APPROPRIATIONS/EXPENDITURES

	REGULATORY PROGRAM		UIC PROGRAM/STATE		UIC PROGRAM/FEDERAL		TOTALS
	Appropriation	Expended	Appropriation	Expended	Appropriation	Expended	Expended
Salaries	516,831	384,274		19,587		7,332	411,193
Other Comp	4,900	4,025		297		153	4,475
Benefits	139,856	96,901		4,771		1,834	103,507
Other Svcs	77,488	613,657	225,000	15,755	98,083	11,573	640,985
Supplies	17,669	15,391		553		317	16,260
Communications	27,569	31,816		2,485		1,280	35,580
Travel	21,045	15,011		1,101		462	16,574
Rent	10,439	10,502		0		0	10,502
Utilities	8,210	9,021		0		0	9,021
Repair/Maint	10,661	12,912		67		34	13,013
Other Exps	9,471	5,668		1,284		661	7,613
Equipment	25,721	45,904		2,995		1,543	50,442
Debt Svc	0	837		0		0	837
Subtotal	869,860	1,245,919	225,000	48,895	98,083	25,189	1,320,003
Less Grant Transfers In		(510,518)					
TOTAL	<u>\$869,860</u>	<u>\$735,401</u>	<u>\$225,000</u>	<u>\$48,895</u>	<u>\$98,083</u>	<u>\$25,189</u>	<u>\$1,320,003</u>
Appropriation Balance	134,459		176,105		72,894		
Percentage Expended	85%		22%		26%		

OTHER APPROPRIATIONS/EXPENDITURES

DNRC Centralized Services	60,998	60,998
Department of Revenue	31,060	31,060

REVENUE

	Total FY 96	Total FY 97
Oil Production Tax	793,087	1,017,728
Gas Production Tax	184,996	165,395
Penalty & Interest	3,028	1,599
Drilling Permit Fees	17,935	31,250
UIC Permit Fees	0	194,495
Interest on Investments	4,803	8,567
Copies of Documents	8,211	8,866
Database Services	1,165	1,308
Other	2,376	241
TOTALS	<u>\$1,015,601</u>	<u>\$1,429,447</u>

ACCOUNT BALANCES (June 30, 1997)

Regulatory	466,988
Damage Mitigation	145,234

SEISMIC PERMITS

<u>DATE RECEIVED</u>	<u>COUNTY</u>	<u>COMPANY NAME</u>	<u>AREA COVERED</u>
1-3-97	Roosevelt	Reliable Exploration	27N, 57-58E
1-24-97	Richland	Trace Ventures Exploration	25-26N, 58E
1-31-97	Sheridan	Trace Ventures Exploration	26N, 54E
			31N, 56E
			32N, 55-56E
			34-35N, 54E
2-4-97	Sheridan	Northern Geophysical of Amer.	33N, 58E
3-5-97	Musselshell	Reliable Exploration	10-11N, 25-26E
3-27-97	Sheridan	Dawson Geophysical Company	33N, 52E
3-27-97	Daniels	Dawson Geophysical Company	33N, 51E
4-7-97	Richland	Reliable Exploration	25N, 56-57E
4-7-97	Richland	Reliable Exploration	26N, 58-59E
4-9-97	Carbon	Western Geophysical	9S, 23-25E
4-16-97	Richland	Veritas	9N, 59-60E
4-17-97	Richland	Reliable Exploration	23-24N, 59E
4-23-97	Richland	Reliable Exploration	26-27N, 53E
4-23-97	Sheridan	Reliable Exploration	34N, 56-57E
5-1-97	Richland	Reliable Exploration	26N, 58-59E
			25-26N, 56-57E
			24N, 59E
5-8-97	Sheridan	Reliable Exploration	34N, 56-57E
5-20-97	Richland	Trace Ventures Exploration	23N, 58-59E
5-27-97	McCone	Reliable Exploration	21-22N, 45-47E
5-27-96	Richland	Geco-Prakla	22-23N, 55E
5-30-97	Richland	Geco-Prakla	25-26N, 54-56E
6-5-97	Richland	Reliable Exploration	26-57N, 53E
6-11-97	Richland	Western Geophysical	26-57E, 55-56E
6-18-97	Glacier	Geco-Prakla	35-37N, 6-7W
6-24-97	Sheridan	Western Atlas International	37N, 52-53E
7-1-97	Hill	Solid State Geophysical, Inc.	33-35N, 14-18E
7-3-97	Glacier	Western Geophysical Company	33N, 5-6W
7-8-97	Blaine	Solid State Geophysical, Inc.	33-35N, 14-18E
7-11-97	Richland	Geco-Prakla	25-26N, 54-56E
7-18-97	Blaine	Trace Ventures Exploration	33-34N, 19-20E
8-6-97	Garfield	Trace Ventures Exploration	13-14N, 31-32E
9-2-97	Wheatland	Reliable Exploration	6-7N, 15E
9-2-97	Roosevelt	Reliable Exploration	27N, 58-59E

Montana Board of Oil and Gas - Permits by Area**9/3/97***Page 1 of 2*

Year	Quarter	Central	North Central	South Central	South Eastern	Sweetgrass Arch	Western	Williston	Total
1990									
	1	3	30	0	0	18	0	11	62
	2	2	100	7	0	25	0	11	145
	3	3	32	7	1	41	0	10	94
	4	5	8	3	1	38	0	17	72
Total - 1990		13	170	17	2	122	0	49	373
1991									
	1	1	5	3	0	13	0	6	28
	2	1	119	3	1	24	0	7	155
	3	11	20	2	0	20	0	4	57
	4	1	6	2	0	16	0	14	39
Total - 1991		14	150	10	1	73	0	31	279
1992									
	1	1	11	3	0	33	0	3	51
	2	5	87	1	2	22	1	6	124
	3	2	12	0	0	27	0	15	56
	4	3	9	0	0	34	0	7	53
Total - 1992		11	119	4	2	116	1	31	284
1993									
	1	1	5	0	0	12	0	4	22
	2	3	19	4	0	31	0	17	74
	3	5	19	0	0	15	0	16	55
	4	6	12	4	1	18	0	15	56
Total - 1993		15	55	8	1	76	0	52	207

Montana Board of Oil and Gas - Permits by Area**9/3/97***Page 2 of 2*

Year	Quarter	Central	North Central	South Central	South Eastern	Sweetgrass Arch	Western	Williston	Total
1994									
	1	8	5	0	0	13	0	10	36
	2	1	43	0	1	38	0	25	108
	3	4	38	1	0	26	0	29	98
	4	6	8	3	1	18	0	23	59
Total - 1994		19	94	4	2	95	0	87	301
1995									
	1	0	4	3	0	9	0	18	34
	2	2	19	0	0	11	0	37	69
	3	7	24	4	0	29	0	15	79
	4	5	12	1	0	21	2	23	64
Total - 1995		14	59	8	0	70	2	93	246
1996									
	1	2	1	0	1	5	0	17	26
	2	2	2	0	0	19	0	38	61
	3	1	19	1	0	27	0	33	81
	4	2	1	1	1	32	0	26	63
Total - 1996		7	23	2	2	83	0	114	231
1997									
	1	3	0	0	0	4	0	30	37
	2	5	141	0	0	5	0	65	216
	3	2	28	9	0	9	1	36	85
Total - 1997		10	169	9	0	18	1	131	338

Montana Board of Oil and Gas - Horizontal Well Permits

03-Sep-97

Year	Quarter	Horizontal	Horizontal Redrill	TOTAL
1988				
	1	0	1	1
	2	1	0	1
	3	2	1	3
	4	2	0	2
Total - 1988		5	2	7
1989				
	1	2	2	4
	2	0	0	0
	3	0	0	0
	4	1	0	1
Total - 1989		3	2	5
1990				
	1	0	0	0
	2	1	1	2
	3	3	0	3
	4	3	0	3
Total - 1990		7	1	8
1991				
	1	0	0	0
	2	2	0	2
	3	1	0	1
	4	1	0	1
Total - 1991		4	0	4
1992				
	1	0	0	0
	2	1	1	2
	3	1	1	2
	4	0	0	0
Total - 1992		2	2	4

Montana Board of Oil and Gas - Horizontal Well Permits

03-Sep-97

Year	Quarter	Horizontal	Horizontal Redrill	TOTAL
1993				
	1	3	0	3
	2	7	3	10
	3	8	0	8
	4	1	0	1
Total - 1993		19	3	22
1994				
	1	15	2	17
	2	9	3	12
	3	8	0	8
	4	6	0	6
Total - 1994		38	5	43
1995				
	1	9	2	11
	2	11	3	14
	3	5	1	6
	4	8	3	11
Total - 1995		33	9	42
1996				
	1	4	2	6
	2	11	1	12
	3	4	3	7
	4	9	1	10
Total - 1996		28	7	35
1997				
	1	13	4	17
	2	29	7	36
	3	14	3	17
Total - 1997		56	14	70
Total - Horizontal Permits		195	45	240