South Dakota

Permit No.

1960

Conditions, if any, on attached page.

DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES Minerals & Mining Program - Oil & Gas Section 2050 West Main, Suite #1, Rapid City, SD 57702-2493 Telephone: 605-394-2229, FAX: 605-394-5317

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DEC 0-4 2009

DEPT OF ENVIRONMENT & NATURAL RESOURCES - RAPID CITY

Date Issued: <u>December 21, 2009</u>

APPLICATION FOR PERMIT TO DRILL

- Almaham	Dan.	JOLE A				
ype of work: ✓ Drill New Well						
Name and Address of Operator: Spyclass Gedar Creek, LP 595 S. Castell Ave., New Braunfels, TX 78130 (830) 626-7100						
Name and Address of Surface Owner:						
Sherry Zimmerscheid HCR 66 Box 135, Buffalo, SD 57720						
Name and Address of Drilling Contractor and Rig Number: Elenburg Exploration 1910 North Loop, Casper, WY 82602						
Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):						
NENE Sec 21 T17NR4E, Harding Cnty, 1072'FNL 552'FEL Lat = 45deg 25'36.15" Lon = 103deg 37'46.92"						
If Directional, top of pay and bottom hole location from nearest lines of section:						
Acres in Spacing (Drilling) Unit Description of Spacing Unit						
320 N/2 Sec 21 T17N R4E						
Well Name and Number		Elevation	Field and I	Pool, or Wildcat	Proposed Depth and Formation	
State 1-21		3179.1'	Wildcat	2200' - Eagle/Shannon		Shannon
Size of Hole 1) 9 7/8 " 2)	Size of Casing 7"	Weight per Foot 17#	Depth 400'	Cementing Program (amount, type, additives) 200sx Class G 2% CaCl2, .25#/sk Celloflake 100% excess Depth to		
3) 6 1/4" 4)	4 1/2"	10.5#	2200'	105sx Lite tail w/125 Class G Plus to additives surf		
Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, Including Estimated Date of Starting any Proposed Work). Use additional page(s) if appropriate. Drill with fresh water mud to 2200'. 12'mil pit liner. Anticipated spud date December 15, 2009.						
I hereby certify that the foregoing as to any work or operation performed is a true and correct report of such work or operation.						
Signature		Kevin Sellers Name (Print)				1 <u>1/25</u> /2009 Date
FOR OFFICE USE ONLY						
Approved By: Was in the For Fred V. Speece Title: 011 and Gas Supervisor						
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API No. 40 063 20698