Sout Dakota

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 FORM 2 RECEIVED

JAN 18 2011

APPLICATION FOR PERMIT TO DRILL RESOURCES - RAPID CITY

	- Aller	M JFO.				
Type of work: Drill New W	eff Reenter We	f Drill Direct	ional Well	Type of well: ✓ Oil Well Other	Gas Weil	Injection
Type of work: Drill New Well Reenter Well Drill Directional Well Oil Well Gas Well Injection Other Telephone Other Telephone Other Construction Other Other Construction Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other Other						
Vincent L. Childers PO Box 723, Edgemont, SD 57735						
Name and Address of Drilling Contractor and Rig Number:						
To Be Determined						
Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):						
SENW Sec. 35, T8S, R2E, Fall River, SD, 2143' FWL, 2443' FNL, LAT43* 18' 42.8"N, Lon103* 50' 53.0"W						
If Directional, top of pay and bottom hole location from nearest lines of section:						
Acres in Spacing (Drilling) Unit Description of Spacing Unit						
40 ac. SENW Sec. 35						
Well Name and Number		Elevation	Field and Pool, or Wildcat		Proposed Depth and I	ormation
6-35 B&H Ranch		3469.1'	wildcat		2500' Leo	
Size of Hole 1) 12 1/4" 2) 7 7/8" 3) 4)	Size of Casing 8 5/8" 5 1/2"	Weight per Foot 24# 15#	Depth 500' 2500'	Cementing Program (200sks class 'g' w/ 200sks class 'g'	amount, type, additives 2% CACL) Depth 510'
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. 1. Drill 12 1/4" surface hole to 500', cement w/good returns 2. Drill 7 7/8" hole to 2500' 3. Evaluate samples, log, and case to 2500' or P&A according to the rules of SD 4. Pits will be lined w/12ml liner 5. Date of proposed work to begin in the spring of 2011						
I hereby certify that the foregoing as to any work or operation performed is a true and correct report of such work or operation.						
tet Krossenelt		Peter K. Roosevelt		Operator		01/14/2011
Signature		Name (Print)			Title Date	
FOR OFFICE USE ONLY						
Approved By: Title: _Oil and Gas Supervisor						
Permit No	Permit No. 1988 API No. 40		047 2033	34 Date Is	ssued: $3/10/2$	011