DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES
Minerals & Mining Program - Oil & Gas Section
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FORM 2

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DEPT OF ENVIRONMENT & NATURAL RESOURCES - RAPID CITY

APPLICATION FOR PERMIT TO DRILL

State of South Dakota Department of Environment and Natural Resources

Type of work: ☑ Drill New Well ☐ Reenter Well ☐ Drill Directional Well ☐ Other _____

Type of well: ☑ Oil Well ☐ Gas Well ☐ Injection ☐ Other _____

Name and Address of Operator: Continental Resources, Inc. P.O. Box 1032 Enid, OK 73702 Telephone (580) 233-8955

Name and Address of Surface Owner: David M. Niemi P.O. Box 227 Buffalo, SD 57720

Name and Address of Drilling Contractor and Rig Number: Cyclone Drilling, Inc. 5800 Mohan Road Gillette, WY 82718-6937 Rig: Cyclone #9

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):

NENW, Sec. 13-20N-4E, 225' FNL & 2600' FWL, Harding County; Lat: 45.7035308 Long: -103.5761649

If Directional, top of pay and bottom hole location from nearest lines of section:

8694 MD TOP:601' FNL & 2300' FWL, Sec. 13-20N-4E; BHL:1850' FSL & 50' FWL, Sec. 13-20N-4E

Acres in Spacing (Drilling) Unit: 20,648 Acres

Description of Spacing Unit: Unitized; South Buffalo Red River Unit; Order #4-97

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
SBRRU 21-13H	3017 GL	Buffalo	12,304' MD; Red River "B"

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 13 1/2"	9 5/8"	36#	1500	678 Sks Premium	
2) 8 3/4"	7"	23,26,29#	8694	599 Sks Premium Lite & "G"	
3)					
4)					

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.

The SBRRU 21-13H is a horizontal well that will be drilled vertically to approximately the top of the Silurian Interlake formation before drilling a medium radius build section in the 218 SW directions and set 7" casing a foot or so above the Red River "B" porosity zone. The well will head in the 218 SW direction to TD. The estimated commencement of the location building is 9/15/2010. The estimated spud date is 10/1/2010.

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	Name (Print)	Title	Date
Nicole Caddell	Nicole Caddell	Compliance	08/17/2010

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Approved By: Fred Ellence Title: Oil and Gas Supervisor

Permit No. 1983 API No. 40 063 20718 Date Issued: September 14, 2010

Conditions, if any, on attached page.