



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 31 2013

DEPT OF ENVIRONMENT & NATURAL RESOURCES - RAPID CITY

State of South Dakota  
 Department of Environment  
 and Natural Resources

**APPLICATION FOR PERMIT TO DRILL**

Type of well:  
 Drill New Well     Reenter Well     Drill Directional Well     Oil Well     Gas Well     Injection  
 Other \_\_\_\_\_     Other \_\_\_\_\_

Name and Address of Operator: Telephone  
 Prima Exploration, Inc.    100 Fillmore St., Suite 450, Denver, CO 80206    (303) 755-5681

Name and Address of Surface Owner:  
 Terry & Marilyn McKittrick    205 9th Ave NW, Bowman, ND 58623

Name and Address of Drilling Contractor and Rig Number:  
 Cyclone Drilling, Inc. Rig #1    P O Box 908, Gillette, WY 82717

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

SWSE Sec 28-T23N-R4E, Harding, 250' FSL & 2075' FWL, Lat 45° 55' 19.259", Long 103° 37' 58.569"

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

7" Csg @ 9410' md, 9088' tvd located 756' fsl & 2223' fel Sec 28. BHL 606 fnl & 902 fwl sec 21-23n-4e

Acres in Spacing (Drilling) Unit    Description of Spacing Unit  
 1059.28    Sections 21 & 28-T23N-R4E, All, Case No. 11-2012

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Harding 34-28-21H	3150.5'	South Medicine Pole Hills	9100 TVD, Red River

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth Surf
1) 13-1/2"	9-5/8"	36#	2000'	Lead w/550 sx Lite, Tail w/200 sx "G"	4700'
2) 8-3/4"	7"	26# & 29#	9410'	Lead w/300 sx Lite, Tail w/500 sx "G"	
3) 6-1/8"	None	None	17089	None	
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.

Red River "B" horizontal well. TD 17,089'; TVD 9140', Open hole lateral 7680'  
 The vertical section will be drilled to KOP of 8600' in the Lodgepole formation before building a medium radius curve to a 90° horizontal. 7" casing will be set & cemented thru the curve. Artificial lift will be used to produce the well. Construction is planned to begin on 2/10/13. A surface reserve pit lined with a 12 mil minimum liner will be used to contain all drilling fluids.

I hereby certify that the foregoing as to any work or operation performed is a true and correct report of such work or operation.

*Kendall Read*  
 Signature

Kendall Read  
 Name (Print)

Operations Manager  
 Title

01/30/2013  
 Date

**FOR OFFICE USE ONLY**

Approved By: *Robert Tamm*    Title: Administrative Manager; Mining Reg.  
 Permit No. 2025    API No. 40 063 20742    Date Issued: 2/8/2013  
 Conditions, if any, on attached page.



**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

PMB 2020  
JOE FOSS BUILDING  
523 EAST CAPITOL  
PIERRE, SOUTH DAKOTA 57501-3182  
[www.state.sd.us/denr](http://www.state.sd.us/denr)

**PERMIT CONDITIONS**

Prima: Harding 34-28-21H  
23N-4E-28 SWSE, Harding County

Permit: 2025  
API: 40 063 20742

Approval has been granted to drill this location as detailed on the attached Application for Permit to Drill (Form #2) with the following additional conditions:

1. This permit is conditioned on compliance with all applicable requirements of South Dakota Codified Laws 45-9 and Administrative Rules of South Dakota 74-12.
2. A 12-mil woven, reinforced high-density polyethylene liner must be used on all pits.
3. Surface runoff must be diverted around the drill site.
4. The surface hole must be drilled with fresh water.
5. Cement must be circulated to the ground surface on the surface casing.
6. If horizontally drilled:
  - A. The coordinates of the production casing shoe and the well terminus must be filed with the department.
  - B. The azimuth of the horizontal segment of the well must be filed with the department along with the results of periodic down hole surveys.
7. If production casing (long string) is set:
  - A. The casing and cementing program submitted with the application shall be followed.
  - B. A cement bond log must be run and filed with the department within 60 days after completion of the well as required by Administrative Rules of South Dakota 74:12:02:12.
8. If abandoned, a plugging plan must be submitted to the department for review and approval. The plugging plan should address all requirements found in Administrative Rules of South Dakota 74:12:03:
  - A. If production casing is left in the wellbore, a mechanical integrity test must be conducted to verify the integrity of the casing as required by rule 74:12:03:02(4)(b)(ii).
  - B. The casing string must be cut off at least three feet below the final ground surface contour. A plate with the name of the operator, well name and number, and legal location by quarter-quarter section, township and range must be welded to the casing stub. The location of the abandoned well must be surveyed with high resolution global positioning system equipment or other appropriate survey methods sufficient to accurately locate the well. Survey coordinates must be included in the final abandonment report.
9. Surface reclamation of the site must be completed within one year of plugging and abandoning the well.
10. A washed set of sample cuttings (or cores, if cut) must be shipped, free of charge, to:

Derric Iles  
Geological Survey Program  
Akeley-Lawrence Science Center  
University of South Dakota  
414 E. Clark Street  
Vermillion, SD 57069-2390

11. Please notify this office prior to plugging or MIT so a witness can be on location. If plugging or MIT will occur after regular business hours, call Jeff Klenner at (605) 929-1414.