

STATE OF SOUTH DAKOTA
SECRETARY OF THE
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF BLACK RIVER EXPLORATION, CELINA, TEXAS, FOR PERMITS TO DRILL TWO OIL AND GAS TEST WELLS AT EXCEPTION LOCATIONS TO STATEWIDE SPACING, DESCRIBED AS THE BRX COLLINS 1 WELL, LOCATED 2,079 FEET FROM THE WEST LINE AND 3,040 FEET FROM THE SOUTH LINE; AND THE BRX COLLINS 1B WELL, LOCATED 2,079 FEET FROM THE WEST LINE AND 3,050 FEET FROM THE SOUTH LINE; BOTH WELLS BEING IN THE SE¼ OF THE NW¼ OF SECTION 5, TOWNSHIP 7 SOUTH, RANGE 4 EAST; APPROXIMATELY NINE MILES WEST-NORTHWEST OF HOT SPRINGS, FALL RIVER COUNTY, SOUTH DAKOTA.

NOTICE
OF
RECOMMENDATION

CASE NO. 9-2012

Notice is hereby given to the public and all interested persons that pursuant to South Dakota Codified Laws (SDCL) 1-26 and 45-9 and further pursuant to Administrative Rules of South Dakota (ARSD) 74:12:02:08 and 74:12:09, the above described application has been filed with the Department of Environment and Natural Resources.

The Secretary recommends approval of the exception locations for the following reasons:

1. The applicant asserts that drilling these wells at locations prescribed by the statewide spacing rule would substantially add to the burden or hazard of the well because of rugged terrain.
2. No other producing or drilling oil and gas wells are located within 1,000 feet of the proposed locations.

Authority for the Secretary to approve this application is contained in ARSD 74:12:02:08 and 74:12:09. Unless a person files a petition requesting a hearing on the above application, pursuant to ARSD 74:09:01, on or before August 13, 2012, the Secretary's recommendation will be considered final, and the Secretary will approve the application in accordance with that recommendation.

The application and notice of recommendation are also posted on the department's website at: <http://denr.sd.gov/des/og/newpermit.aspx>. Additional information about this application is available from Bob Townsend, Minerals and Mining Program Administrator, Department of Environment and Natural Resources, 523 East Capitol Avenue, Pierre, SD 57501, telephone (605) 773-4201, email bob.townsend@state.sd.us.

Dated: July 20, 2012



Steven M. Pirner
Secretary