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

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DEC 0 3 2004
DEPT OF ENVIRONMENT & NATURAL RESOURCES - RCRO

# APPLICATION FOR PERMIT TO DRILL

Type of work:
[ ] Drill New Well [ ] Reenter Well [ ] Drill Directional Well
[X] Other Horizontal Re-entry

Type of well:
[X] 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 Nieni
P.O. Box 227, Buffalo, SD 57720

Name and Address of Drilling Contractor and Rig Number:
Undetermined at this time.

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
960' FWL and 660' FSL SW/4 SW/4 Sec 31-21N-4E, Harding County

If Directional, top of pay and bottom hole location from nearest lines of section:
Top of Pay: 8372' (TVD) BHL #1: 2500'FSL & 900'FEL, Sec 31-21N-4E
BHL #2: 2100'FSL & 2600'FEL, Sec 36-21N-3E

Acres in Spacing (Drilling) Unit
4,581 acres

Description of Spacing Unit
Unitized-West Buffalo Red River Unit
Order 5-97

| Well Name and Number | Elevation | Field and Pool, or Wildcat | Proposed Depth and Formation |
|---|---|---|---|
| WBRRU #14-31 | 3087'GL | Buffalo | Red River "B" (8372' TVD) |

| Size of Hole | Size of Casing | Weight per Foot | Depth | Cementing Program (amount, type, additives) | Depth |
|---|---|---|---|---|---|
| 1) 12 1/4" | 8 5/8" | 24# | 1995' | 750 sx | |
| 2) 7 7/8" | 5 1/2" | 15.5# | 8475' | 1000 sx | |
| 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.
A window will be cut in the 5 1/2" csg for a KOP of +/- 8285'. A horizontal lateral will then be extended through the currently producing Red River "B" formation to BHL #1 above. After sidetracking the original curve, a second lateral will be extended to BHL #2 above. Activity is expected to commence on or about Dec. 6, 2004. Pits will be lined with a 12-mil plastic liner.

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 |
|---|---|---|---|
| Pam Combest | Pam Combest | Reg. Compliance | 11/30/04 |

FOR OFFICE USE ONLY

Approved By: Fred Steece Title: Oil & Gas Supervisor

Permit No. 1716 API No. 40 063 20184.01 Date Issued: 12/14/04

Conditions, if any, on attached page.