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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MAR 06 2005
DEPT OF ENVIRONMENT & NATURAL RESOURCES - RCRO

APPLICATION FOR PERMIT TO DRILL

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: Bowers Oil and Gas, Inc.
2532 Patterson Road, Suite 11
Grand Junction, CO 81505

Telephone 970-245-1342

Name and Address of Surface Owner: Jesse Bail
P.O. Box 84
Buffalo, SD 57720

Name and Address of Drilling Contractor and Rig Number: Weston Engineering, Inc. Rig #114
P.O. Box 260
Upton, WY 82730

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
NE1/4SE1/4 Sec. 34, T19N, R1E; 754' FEL, 2262' FSL;
Lat. - 45° 33' 57.51", Long - 103° 58' 47.21"
Khc, Aust.

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

Acres in Spacing (Drilling) Unit: 640

Description of Spacing Unit: Section 34 (ALL)

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
BOG-Fee #1-34	3147.5' (GL)	Wildcat	1600', Eagle Fm.

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 12 1/4"	8 5/8"	24#	200'	Approx 90 sx, class C, CaCl added	To Surface
2) 6 3/4"	4 1/2"	9.5 & 10.5#	1500'	Approx 225 sx, class G, Calseal 60 and flocele added	To 300' fromSurface
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.
(1) 4/25/05 estimated starting date. (2) Drill surface hole w/fresh water and gel. Drill out from under surface with an air/air mist system, and continue to TD. Mud up with fresh water and gel.C.T.D. (3) Use a BOP and rotating head. (4) At TD we will run a gamma ray log thru drill pipe for correlation. (5) We will not run DSTs or cores. (6) If successful we will perforate the well after running a CBL/gamma ray log. (7) If productive we will hydraulically frac the well using approx. 40,000# 12/20 sand, 120,000 SCF nitrogen, and 1000 gal/water.

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

James E. Bowers
Signature

Name (Print) James E. Bowers Title President Date 3/29/05

SOUTH DAKOTA
STATE GEOLOGICAL SURVEY
WESTERN FIELD OFFICE

FOR OFFICE USE ONLY

Approved By: Fred A Steece Title: Oil & Gas Supervisor

Permit No. 1731 API No. 40 063 20589 Date Issued: 04/18/05

Conditions, if any, on attached page.