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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MAY 13 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: Bill Barrett Corporation 1099 18th Street, Suite 2300, Denver, CO 80202 Telephone (303) 312-8546

Name and Address of Surface Owner: Mr. Leonard O. Nygaard Box 94, Scranton, ND 58653

Name and Address of Drilling Contractor and Rig Number: Unknonw 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):
NENE, Sec. 32, T23N, R7E, Harding County, 570' FNL x 570' FEL, Lat: 45° 55' 11.36" Long: 103° 16' 33.06"

If Directional, top of pay and bottom hole location from nearest lines of section:
TopPay: 860' FNL x 860' FEL, Sec. 32, T23N, R7E; BHL: 660' FSL x 660' FWL, Sec. 32, T23N, R7E

Acres in Spacing (Drilling) Unit: 640
Description of Spacing Unit: All of Section 32

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
41-32H Nygaard	2,848.8'	Wildcat	14,670' 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 #	1,000'	See Drilling Prognosis	
2) 8 3/4"	7"	26 # & 29 #	9,347'	" " "	
3) 6"	-	-	14,670'	" " "	
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.

Bill Barrett Corporation (BBC) proposes to drill a horizontal well from a SHL of 570' FNL x 570' FEL that will have a BHL in the SW/4, SW/4, 660' FSL x 660' FWL for the purpose of testing production in the Red River "B" formation. See attached Drilling Prognosis, Casing Design, Cementing Plan, and Survey Plat for details. Surface owner is Leonard O. and Lavonne Nygaard, Route 1, Box 94, Scranton, ND 58653; phone: (605) 278-6112. BBC requests CONFIDENTIAL TIGHT-HOLE status for this well.

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

Reed Haddock — Signature
Reed Haddock — Name (Print)
Permit Analyst — Title
05/11/2005 — Date

SOUTH DAKOTA STATE GEOLOGICAL SURVEY WESTERN FIELD OFFICE

FOR OFFICE USE ONLY

Approved By: _____ Title: Oil & Gas Supervisor

Permit No. 1756 API No. 40 063 20598 Date Issued: 06/16/05

Conditions, if any, on attached page.