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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DEPT OF ENVIRONMENT & NATURAL RESOURCES - RCRO

APPLICATION FOR PERMIT TO DRILL

SOUTH DAKOTA STATE GEOLOGICAL SURVEY WESTERN FIELD OFFICE

Type of work:
☐ Drill New Well ☐ Reenter Well ☐ Drill Directional Well
☑ Other Horizontal Lateral Extension

Type of well:
☑ 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: Clarkson Land & Cattle Co. Buffalo, SD

Name and Address of Drilling Contractor and Rig Number: J & R Well Service 791 Lane 9, Powell, WY 82435, Rig #8

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
SHL ~~1980'~~ 2055' FNL & ~~660'~~ 835' FWL, ~~NW~~ SW NW, Sec 13-21N-3E

If Directional, top of pay and bottom hole location from nearest lines of section:
BHL #1 1640' FNL & 2300' FWL, Sec 13-21N-3E, BHL #2 1000' FSL & 1000' FWL, Sec 13-21N-3E

Acres in Spacing (Drilling) Unit: 640 Acres

Description of Spacing Unit: Red River "B"

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Graves 12-13	3103'	Buffalo	#1 10,900' MD,#2 10,900' MD

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 12 1/4"	8 5/8"	24#	1587'	740 sks	
2) 7 7/8"	4 1/2"	11.6 &13.5#	8573'	1050 sks	
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.

The Graves 12-13 well laterals will be drilled out of existing 4 1/2" casing by cutting a southeast facing window at least 10' below the Gunton porosity located at 8395-8423', landing in the Red River "B" porosity at 8536-8552'. Out of this window one lateral will turn to the east and one to the south to bottom hole locations .

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
Becky Barnes	Becky Barnes	Regulatory Comp	08/08/2006

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Approved By: Fred W Steece Title: Oil and Gas Supervisor

Permit No. 1790 API No. 40 063 20214.01 Date Issued: August 17, 2006

Conditions, if any, on attached page.