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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OCT 2 2006
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 _____

SOUTH DAKOTA STATE GEOLOGICAL SURVEY WESTERN FIELD OFFICE

Name and Address of Operator: Telephone
Continental Resources, Inc P.O. Box 1032, Enid, OK 73702 (580) 233-8955

Name and Address of Surface Owner:
David M. Niemi P.O. Box 227, Buffalo, SD 57720

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

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
660' FSL & 660' FWL, Sec 7-20N-5E

If Directional, top of pay and bottom hole location from nearest lines of section:
2750' FSL & 1750' FWL, Sec 7-20N-5E

Acres in Spacing (Drilling) Unit: NA

Description of Spacing Unit: Red River "B"

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
SBRRU 14-7H	2948' GL	Buffalo	10,800' MD Red River "B"

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 12 1/4	8 5/8	28.5	1555'	~~740~~ sks 825	
2) 7 7/8	4 1/2	11.6	8453'	350 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 well lateral will be drilled out of existing 4 1/2" casing by cutting a northeast facing window at least 10' below the Gunton porosity located at 8250' - 8296', landing in the Red River "B" porosity shown on the attached log at 8500' - 8416'. Out of this window the lateral will be drilled to the northeast as shown on the attached maps.

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
Jennifer Marlatt	Jennifer Marlatt	Regulatory Comp	09/15/2006

FOR OFFICE USE ONLY

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

Permit No. 1799 API No. 40 063 20150.01 Date Issued: October 12, 2006

Conditions, if any, on attached page.