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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APR 23 2007
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 _____

Type of well:
☐ Oil Well ☑ Gas Well ☐ Injection ☐ Other _____

Name and Address of Operator: Spyglass Cedar Creek LP 595 S Castell New Braunfels TX 78130 Telephone (830) 626-7100

Name and Address of Surface Owner: Ray Gilbert Po Box 166 Buffalo SD 57720

Name and Address of Drilling Contractor and Rig Number: Elenberg Exploration #8 1910 N Loop Casper WY 82602

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
~~SENW~~ NWSE Sec 9 T17N R4E 1780 FSL & 2140 FEL Harding County SD

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

Acres in Spacing (Drilling) Unit: 320

Description of Spacing Unit: SENW Sec 9 T17N R4E

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Gilbert 10-9	3100.4	Wildcat	2200 Shannon

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 9 7/8	7	17	430	200 SKS g 2% CaC12	Surf
2) 6 1/4	4 1/2	10.5	2200	.25 #/SK celoflake, 100% excess	2200
3)				105SKS, Lite 1500, 2%CaCl. .25	to
4)				125 sks G 1% CaCi, .7%CFL,.25#/sk	Surf

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.

Drill with fresh water mud to 2200', 12 mil pit liner. Anticipated Spud date May 15th, 2007

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
	March Kimmel	General Partner	04/02/2007

FOR OFFICE USE ONLY

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

Permit No. 1827 API No. 40 063 20622 Date Issued: May 8, 2007

Conditions, if any, on attached page.