SD EForm - 0437 V1

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

RECEIVED
DEC 17 2008
DEPT OF ENVIRONMENT & NATURAL RESOURCES - RAPID CITY

State of South Dakota Department of Environment and Natural Resources

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: North Finn LLC 950 Stafford Casper, WY 82609 Telephone (307) 237-7854

Name and Address of Surface Owner: Clark Blake HCR 62 Box 22, Belle Fourche, SD 57719

Name and Address of Drilling Contractor and Rig Number: Rainbow Drilling P.O. Box 353 Evansville, WY 82636

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
SWSE Sec. 23 T15N R3E Harding County, 1860' FEL & 660' FSL Lat= 45d14'38.18" Long= 103d43'7.35"

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

okay

Acres in Spacing (Drilling) Unit ~~160~~ ~~320~~ ~~S/2~~ ~~SE~~ Sec. 23 T15N R3E — okay

Description of Spacing Unit

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Blake State #15-23-15-3	3073.4'	Cady Creek	1500' Shannon

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 8 3/4"	7"	17.0	400'	100 sks Class "G"	400'
2) 6 1/4"	4 1/2"	11.6	1500'	200 sks Class "G"	1500'
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.

Drill well with KCL mud system.
Surface pits will be lined with a 12 mil pit liner.
Anticipated spud date is January 2, 2009.
Surface owner and Mineral owner are the same.

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

Wayne R. Neumiller — Signature
Wayne Neumiller — Name (Print)
Manager/Member — Title
12/12/2008 — Date

FOR OFFICE USE ONLY

Approved By: Fred H. Stace Title: Oil and Gas Supervisor

Permit No. 1906 API No. 40 063 20677 Date Issued: January 8, 2009

Conditions, if any, on attached page.