



DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES
 Minerals & Mining Program - Oil & Gas Section
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 FORM 2

JUL 20 2009

DEPT OF ENVIRONMENT & NATURAL
 RESOURCES - RAPID CITY

APPLICATION FOR PERMIT TO DRILL

Type of work: Drill New Well Re-enter Well Drill Directional Well

Type of well: Oil Well Gas Well Injection
 Other _____

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

Name and Address of Surface Owner: Gilbert Angus Ranch P.O. Box 166, Buffalo, SD 57720

Name and Address of Drilling Contractor and Rig Number: Elenburg Exploration Rig 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):
 NW NE Sec 27 T18N R4E, Harding Cnty, 1632'FEL 1231'FNL, Lat 45deg 29'55.10", Lon 103deg 36'48.11"
 If Directional, top of pay and bottom hole location from nearest lines of section:

Acres in Spacing (Drilling) Unit: 320
 Description of Spacing Unit: N/2 Sec 27, T18N R4E

Well Name and Number State #2-27		Elevation 3026.5 GL 3028.2	Field and Pool, or Wildcat Faulkner Creek	Proposed Depth and Formation 2200' - Eagle/Shannon
Size of Hole 1) 9 7/8" 2) 3) 6 1/4" 4)	Size of Casing 7" 4 1/2"	Weight per Foot 17# 10.5#	Depth 400' 2200'	Cementing Program (amount, type, additives) 200sx Class G 2% CaCl2, .25#/sk Celloflake 100% excess 105sx Lite tail w/ 125 Class G plus additives
Depth to surf to surf to 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 July 31, 2009.

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

Kevin Sellers Partner 07/02/2009
 Signature Name (Print) Title Date

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Approve By: Fred [Signature] Title: Oil and Gas Supervisor

Permit No. 1950 API No. 40 063 20694 Date Issued: August 19, 2009

Conditions, if any, on attached page.