



DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES
 Minerals & Mining Program - Oil & Gas Section
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DEPT OF ENVIRONMENT & NATURAL
 RESOURCES - RAPID CITY

State of South Dakota
 Department of Environment
 and Natural Resources

APPLICATION FOR PERMIT TO DRILL

Type of well: Oil 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 Ave. New Braunfels, TX 78130 Telephone (830)626-7100

Name and Address of Surface Owner: Mark & Vicky Heairet 12356 Mackey Rd., Buffalo, SD 57720

Charlotte Henderson 420 Oriole, Spearfish, SD 57783

Name and Address of Drilling Contractor and Rig Number: Rainbow Drilling LLC 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): NW1/4 NE1/4, Sec 22 T17N R4E, Harding Cnty, 839'FNL 1569'FEL, Lat 45deg 25'38.45", Lon 103deg 36' 47.29"

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 22, T17N R4E

Well Name and Number		Elevation	Field and Pool, or Wildcat		Proposed Depth and Formation
Heairet-Henderson 2-22		3158.7'	Jumpoff		2200 Eagle/Shannon
Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 9 7/8	7"	17#	400	200sx ClassG 2% CaCl2, .25/sk	to surf
2)				Celloflake, 100% excess	
3) 6 1/4	4 1/2"	10.5#	2200'	105sx lite, tail w/125	to surf
4)				Class G Plus additives	

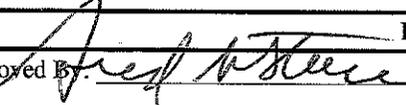
Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, Including Estimated Date of Starting any Proposed Work). Use additional page(s) if appropriate.

Drill with fresh water mud to 2200'. 12 mil pit liner. Anticipated spud date 3/17/10

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 Kevin Sellers Name (Print) Partner Title 3/15/10 Date

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Approved By:  Title: Oil and Gas Supervisor

Permit No. 1969 API No. 40 063 20706 Date Issued: March 24, 2010
 Conditions, if any, on attached page.