



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

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MINERALS & MINING PROGRAM DEPT OF ENVIRONMENT & NATURAL RESOURCES - RAPID CITY

APPLICATION FOR PERMIT TO DRILL

Type of work:  Drill New Well  Re-enter Well  Drill Directional Well  Other \_\_\_\_\_

Type of well:  Oil Well  Gas Well  Injection  Other \_\_\_\_\_

Name and Address of Operator: **Nakota Energy LLC** PO Box 342, Faith SD 57626 Telephone: (910) 409-3588

Name and Address of Surface Owner: **City of Faith** PO Box 8, Faith SD 57626

Name and Address of Drilling Contractor and Rig Number: **Michael Smith** 97 Musser Road, Newcastle WY 82701

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):

SW1/4NW1/4 Sect. 10 T12N-R17E Meade County 2,042.0' FNL & 181.0' FWL

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

Acres in Spacing (Drilling) Unit: 40 Description of Spacing Unit: T12N-R17E Sect. 10 SW1/4NW1/4

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Nakota-Faith 2-10-12-17	2,548.7'	Faith Field	2,850' Mosby Sandstone

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 9 7/8"	7"	20	1,247'	Class G 460 Sks 15lb/gal	3,706' to 1,100'
2) 7 7/8"	5 1/2"	15	3,627'	Class G 210 Sks 15lb/gal	1,100' to 0'
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.

Plan is to test the Turner at approx 2,100' and the Eagle at approx 1,200'. An interval in the zone from 525' to 700' may also be tested. This will be an exception location. Therefore, plans do not include producing oil from the same formation in both this well and Nakota-Faith 1-10-12-17. The Mosby at 2,850' may also be tested. Proposed starting date is June 1/11.

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

W.J. Sutton Signature      W.J. Sutton Name (Print)      Manager Title      04/26/2011 Date

FOR OFFICE USE ONLY

Approved By: Robert Townsend Title: Minerals & Mining Admin.

Permit No. 1997      API No. 40 093 20035      Date Issued: 6/15/11

Conditions, if any, on attached page.