



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

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MAY 06 2005

APPLICATION FOR PERMIT TO DRILL DEPT OF ENVIRONMENT & NATURAL RESOURCES - RCRO

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: Sands Oil Company P.O. Box 373, Billings, MT 59103 Telephone: (406) 245-7714

Name and Address of Surface Owner: Moreau Grazing Association 15545 Old Hwy 85, Belle Fource, SD

Name and Address of Drilling Contractor and Rig Number: Conquest Drilling Company Gillette, WY

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):  
NESW Sec 28, T15N-R3E 1445' FWL & 1482' FSL HARDING COUNTY

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

Acres in Spacing (Drilling) Unit	Description of Spacing Unit
320	S/2

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Federal #2-28	3062' GL	Cady Creek	1200' Shannon

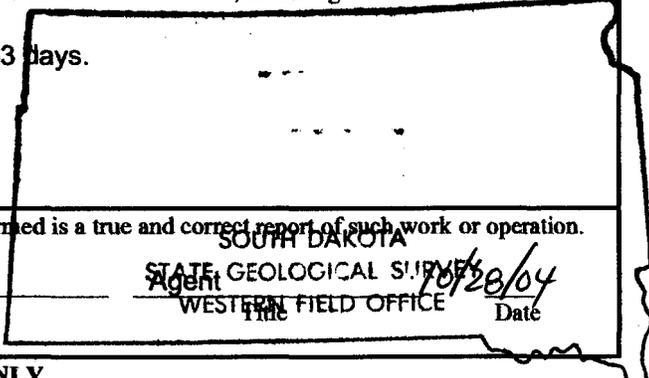
Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 9-7/8"	7"	17#	150'	50 SX Reg Cl G	Surfac
2) 6-1/4"	4.5"	9.5#	1200'	100 SX Reg Cl G w/2% CACL	Surfac
3)					
4)					

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.  
~~Dec 1, 2004~~ proposed starting date. Drilling will take 2-3 days.  
*June 1, 2005*  
See attached for PORPOSED OPERATIONS

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

*Michael Okerman* Signature      Michael Okerman Name (Print)      SOUTH DAKOTA STATE GEOLOGICAL SURVEY Agent      WESTERN FIELD OFFICE      *7/28/04* Date

*See*



FOR OFFICE USE ONLY

Approved By: *[Signature]* Title: Oil & Gas Supervisor

Permit No. 1745 API No. 40 063 20593 Date Issued: 06/01/05

Conditions, if any, on attached page.