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

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AUG 1 1 2005
DEPT OF ENVIRONMENT & NATURAL RESOURCES - RCRO

APPLICATION FOR PERMIT TO DRILL

Type of work:
[X] Drill New Well [ ] Reenter Well [ ] Drill Directional Well
[ ] Other _____

Type of well:
[X] Oil Well [ ] Gas Well [ ] Injection
[ ] Other _____

Name and Address of Operator:
Prima Exploration Inc.
7555 E. Hampden Ave., Suite 505, Denver, CO 80231
Telephone 303-755-5681

Name and Address of Surface Owner:
Timothy G. & Tracy L. Brown
P.O. Box 205, Buffalo, SD 57720

Name and Address of Drilling Contractor and Rig Number:
Cyclone Drilling
P.O. Box 908, Gillette, WY 82717-3158

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available): 210' FSL & 1600' FEL SW SE Sec 31-22N-4E

If Directional, top of pay and bottom hole location from nearest lines of section:
Top of Pay 8638' BHL(1)660' FNL & 440' FWL Sec NW NW Sec 33-22N-4E
BHL(2)2000' FNL & 1700' FEL SW NE Sec 31-22N-4E

Acres in Spacing (Drilling) Unit
4,469.7 acres

Description of Spacing Unit
Central Buffalo Red River Unit
Order/Case #12-2004

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
CBRRU #44-31H	3061.4 GL	Buffalo	8638' Red River "B"

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 30"	20"	60#	40'	48 yds of Grout	
2) 13 1/2"	9 5/8"	36#	1100'	485 sx Premium	
3) 8 3/4"	7"	26#,29#,32#	8637'	770sx Premium Lite & "G"	
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.

Plans are to drill a vertical wellbore to the Interlake interval, then build angle to 86 degrees in the direction of 45 degree azimuth. Set and cement 7" csg through the build. Wellbore will be drilled approximately 8086' in the Red River "B" formation. Second lateral will drilled 2873' in the Northerly direction.

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: [signature] Name (Print): RICH GUNLIKSON Title: Operations Mgr Date: 8/10/05

SOUTH DAKOTA STATE GEOLOGICAL SURVEY WESTERN FIELD OFFICE

FOR OFFICE USE ONLY

Approved By: [signature] Title: Oil & Gas Supervisor

Permit No. 1761 API No. 40 063 20600 Date Issued: 08/23/05

Conditions, if any, on attached page.