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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MAY 15 2006
DEPT OF ENVIRONMENT & NATURAL RESOURCES - RCRO

APPLICATION FOR PERMIT TO DRILL

SOUTH DAKOTA STATE GEOLOGICAL SURVEY WESTERN FIELD OFFICE

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

Type of well:
[x] Oil Well [ ] Gas Well [ ] Injection
[ ] Other

Name and Address of Operator: Telephone
Spyglass Cedar Creek LP 353 Mill St. , New Brunsfies Brunfels, TX 78130 (830) 626-7445

Name and Address of Surface Owner:
Life Estate of Clarice M. Price HC59 Box 17, Camp Crook, SD 57724

Name and Address of Drilling Contractor and Rig Number:
Patterson Drilling, 1512 Larimer St. Denver, CO 80202 Rig #464

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
SW SW Sec 24 T19N R4E 660"FSL 660" FWL Sec 24 Harding Co, SD

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

45°35'26.28"
103° 35' 01.87"

Acres in Spacing (Drilling) Unit: 160

Description of Spacing Unit: SW 1/4 Sec 24 T19N R4E

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
13-24R Price	2896 GL	Wildcat	5700 Minnelusa

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 12 1/4	9 5/8	36#	1495	240 Sacks + 2% CaCl2	
2)					
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 to re-enter above wll and test Minnelusa @ 5700
Approx. date June 5, 2006

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	Name (Print)	Title	Date
	Duane Estelle	Partner	5/12/06

FOR OFFICE USE ONLY

Approved By: Fred Wilson Title: Oil and Gas Supervisor

Permit No. 1780 API No. 40 063 20542.01 Date Issued: June 9, 2006

Conditions, if any, on attached page.