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DEPT OF ENVIRONMENT & NATURAL RESOURCES - RC&O

APPLICATION FOR PERMIT TO DRILL

Type of work:
 Drill New Well Reenter Well Drill Directional Well
 Other _____

Type of well:
 Oil Well Gas Well Injection
 Other _____

SOUTH DAKOTA
STATE GEOLOGICAL SURVEY
WESTERN FIELD OFFICE

Name and Address of Operator: Telephone
 Peter K. Roosevelt 518 17th Street Suite 1140, Denver, CO 80202 (303) 825-8606

Name and Address of Surface Owner:
 Beverly Stearns 302 Canton Avenue Hot Springs, SD 57747 605-745-4581

Name and Address of Drilling Contractor and Rig Number:
 As Yet Unknown

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

NENW Section 36, T9S, R2E, Fall River, SD 1843' from the West line, 801' from the North line.
 If Directional, top of pay and bottom hole location from nearest lines of section:
 NA

Acres in Spacing (Drilling) Unit Description of Spacing Unit
 40 ac. NENW Section 36

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
3-36 State	3828.6'	wildcat	3250 feet Leo

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 12 1/4"	8 5/8"	24#	180ft.	150 sacks +2% Calcium sufficient to circulate to surface	175ft.
2)					
3) 8 7/8"	5 1/2"	15#	3250ft	Sufficient cement to cement across the Fall River formation	3250ft
4)					

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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 12 1/4" surface hole to 180ft., set 175ft. of 8 5/8" casing and cement to surface with good returns.
 Drill 7 7/8" hole to 3250ft. Log and run 5 1/2" production casing cemented sufficient to cover the Fall River formation or plug and abandon according to the rules of the DENR of SD. Pits will be lined with 12ml. liner.

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

Peter K. Roosevelt Peter K. Roosevelt Operator Jan 15 06
 Signature Name (Print) Title Date

FOR OFFICE USE ONLY

Approved By: [Signature] Title: Oil and Gas Supervisor

Permit No. 1787 API No. 40 047 20325 Date Issued: June 29, 2006

Conditions, if any, on attached page.