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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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 ☑ Reenter Well ☐ Drill Directional Well
☑ Other Horizontal Lateral Extension

Type of well:
☑ Oil Well ☐ Gas Well ☐ Injection
☐ Other

Name and Address of Operator: Continental Resources, Inc P.O. Box 1032
Telephone: (580) 233-8955

Name and Address of Surface Owner: Niemi Ranch P.O. Box 227, Buffalo, SD 57720

Name and Address of Drilling Contractor and Rig Number: J & R Well Service 791 Land 9, Powell, WY 82435

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
SHL ~~1980'~~ 1880' FNL & 1980' FEL, SW NE, Sec 3-20N-4E

If Directional, top of pay and bottom hole location from nearest lines of section:
BHL#1 950' FNL&650' FEL, NENE, Sec 3-20N-4E BHL#2 1850' FSL&1650' FWL,NE SW, Sec 3-20N-4E

Acres in Spacing (Drilling) Unit: 7675.65

Description of Spacing Unit: Buffalo Red River Unit

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
SBRRU 32-3H	3128' GL	Buffalo	Red River "B" @ 10,800'

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 12 1/4"	8 5/8"	28#	1629'	620 sks	
2) 7 7/8"	4 1/2"	11.6#	8572'	840 sks	
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.

The well laterals will be drilled out of existing 4 1/2" casing by cutting a southeast facing window at least 10' below the Gunton formation located at 8388-8418', landing in the Red River "B" porosity at 8530-8545'. Out of this window one lateral will turn to the northeast and one to the southwest to bottom hole locations as shown on the attached maps. We will using a closed circulating system with cuttings being hauled to a state approved facility.

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
Becky Barnes	Becky Barnes	Regulatory Comp	11/09/2006

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Approved By: Fred McStence Title: Oil and Gas Supervisor

Permit No. 1802 API No. 40 063 20114.01 Date Issued: November 22, 2006

Conditions, if any, on attached page.