South Dakota
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DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES
Minerals & Mining Program - Oil & Gas Section
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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 _____

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

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

Name and Address of Surface Owner: State of South Dakota

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 724' FSL & 555' FWL, Sec 4-21N-4E, SWSW

If Directional, top of pay and bottom hole location from nearest lines of section: TOP 8575'

NBHL 2400' FSL & 555' FWL, Sec ~~5~~ 4-21N-4E, NWSW, WBHL 724' FSL & 1700' FEL, Sec 5-21N-4E, SWSE

Acres in Spacing (Drilling) Unit: 20,648 Acres

Description of Spacing Unit: ~~South~~ Central Buffalo Red River "B" Unit, ~~Order # 4-97~~

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
State 14-4	3001 GL	Buffalo	North 10,300' MD 8,604' TVD West 10,850' MD 8,570' TVD

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 12 1/4"	8 5/8"	36#	6016'	160 sx Poz mix & regular, 2% gel	
2) 7 7/8"	4 1/2"	11.6, 9.5, 4.7 #	8729'	1050 sx Poz mix & regular, 6% gel	
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 State 14-4 well laterals will be drilled out of existing 4 1/2" casing by cutting a window at least 10' below the Gunton porosity located at 8418-8462', landing in the Red River "B" porosity at 8575'-8591'. Out of this window one lateral will be drilled to the west and a second lateral drilled to the north. We will be using a closed circulating system with cuttings being hauled to a state approved facility. No pit liner will be used.

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
[signature]	RICH GUNLIKSON	OPERATIONS MANAGER	10/18/07

FOR OFFICE USE ONLY

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

Permit No. 1851 API No. 40 063 05059.01 Date Issued: January 11, 2008

Conditions, if any, on attached page.