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 - RAPID CITY

State of South Dakota Department of Environment and Natural Resources

APPLICATION FOR PERMIT TO DRILL

Type of work: ☐ Drill New Well ☐ Reenter Well ☐ Drill Directional Well ☒ Drill New Horizontal Well ☐ Other

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

Name and Address of Operator: ~~Tecton Energy, LLC - 3000 Wilcrest, Suite 300, Houston, TX 77042~~ Energy Operating Co, LLC One Warren Place, 6100 S. Yale, Ste 1700, Tulsa OK 74136 Telephone ~~(281) 668-8068~~ 918-488-6416 1)

Name and Address of Surface Owner:
South Dakota School and Public Lands – 500 East Capital Ave., Pierre, SD 57501

Name and Address of Drilling Contractor and Rig Number:
To be determined.

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
880' FNL 1,870' FEL (NW/4 NE/4) Sec. 36 T23N R2E Lat: 45° 55' 08.00" Long: 103° 49' 03.67"

If Directional, top of pay and bottom hole location from nearest lines of section:
±1,211' FNL ±2,338' FEL (NW/4 NE/4) Sec. 36 T23N R2E – Top of Pay Zone
±500' FSL ±2,080' FEL Sec. 35 T23N R2E – Bottomhole Location

Acres in Spacing (Drilling) Unit: 1,280.00 acres
Description of Spacing Unit: Sec. 35 and Sec. 36

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Lakota State 36-1H	3,058.1'	Wildcat	8,522' TVD - Red River

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 12-1/4"	9-5/8"	J-55 36#	2,000'	±400 sxs Premium Lite and ±250 sxs "G"	To surface
2) 8-3/4"	7"	HCL-80 29# & 32#	8,850'	±500 sxs Premium Lite"	4,500'
3) 6"	None	Open Hole	14,990'	None	
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.

April 1, 2008

See attached Drilling Program and Directional Profile

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

1) Kimberly J. Rodell (Signature) — Kimberly J. Rodell (Name (Print)) — Permit Agent for Tecton Energy, LLC (Title) — Revised: March 21, 2008 Original: February 1, 2008 (Date)

FOR OFFICE USE ONLY

Approved By: Fred W. Steece Title: Oil and Gas Supervisor

Permit No. 1879 API No. 40 063 20653 Date Issued: July 16, 2008

Conditions, if any, on attached page.

1) See Transfer of Operator (Copy this file) Fm