



DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES FORM 2
 Minerals & Mining Program - Oil & Gas Section
 2050 West Main, Suite #1, Rapid City, SD 57702-2493
 Telephone: 605-394-2229, FAX: 605-394-5317

RECEIVED
JUN 15 2009

DEPT OF ENVIRONMENT & NATURAL
 RESOURCES - RAPID CITY

APPLICATION FOR PERMIT TO DRILL

Type of Work: Drill New Well Re-enter Well Drill Directional Well Other

Type of Well: Oil Well Gas Well Injection Other

Name and Address of Operator: LUFF EXPLORATION COMPANY, 1580 LINCOLN STREET, SUITE 850, DENVER, CO 80203
 Telephone: (303) 861-2468

Name and Address of Surface Owner: Timothy Brown, P.O. Box 205, Buffalo, SD 57720-0205

Name and Address of Drilling Contractor and Rig Number: Key Energy Services, Inc., 115 34th St. West, Williston, ND 58801, Rig #233

Surface Location of Well: Qtr-Qtr, Sec, Twp, Rge, County, Feet from Nearest Lines of section, and latitude and longitude (if available):
 SWNW Sec. 29-T22N-R4E, Harding County, 700' FSL x 1100' FWL; Lat = 45° 50' 41.88", Long = 103° 39' 54.06"

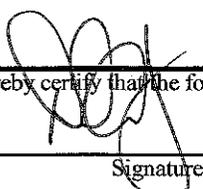
If Directional, top of pay and bottom hole location from nearest lines of section:
 East Lateral Sidetrack: Top est @ 14,137' MD = 8728' TVD; BHL: 470' FNL x 400' FWL, Sec.28-T22N-R4E

Acres in Spacing (Drilling) Unit: Total Unitized area: approx. ± 28744.44 acres
 Description of Spacing Unit: North Buffalo Red River Unit

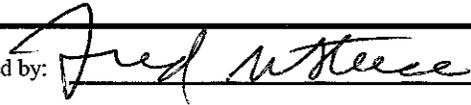
| Well Name and Number | Elevation | Field and Pool, or Wildcat | Proposed Depth and Formation | | |
|----------------------|----------------|---|------------------------------|---|-----------------------|
| Brown E-29H | 3098.5' GL | North Buffalo Red River Unit Red River B | E: 8728' TVD; 14,137' MD; RR | | |
| Size of Hole | Size of Casing | Weight per Foot | Depth | Cementing Program (amount, type, additives) | Depth |
| 1) 13-1/2" | 9-5/8" | 36# | 2035' | 963 sks | surf |
| 2) 8-3/4" | 7" | 26# & 32# | 8981' | 607 sks | 4566* |
| 3) | | | | | * Not recorded |
| 4) | | | | | above csg fluid level |

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.
 Estimated start date of August 1, 2009. Original Permit # 1730 issued on 11/16/83. Original API # 40 063 20588.
 Propose to re-enter and kick off @ 12,009' MD, extending the east lateral to approximately 14,137' MD, 8728' TVD. A fresh wtr/polymer will be used to drill the extension. All drilling fluids and cuttings will be contained in a pit lined with 12 mil plastic. All liquids will be disposed of in an approved manner, the liner and the cuttings will be buried in place. Completion will be open hole in the horizontal section.

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
 David A. Norby Name (Print)
 Operations Manager Title
 6/11/09 Date

FOR OFFICE USE ONLY

Approved by:  Title: Oil and Gas Supervisor
 Permit No. 1946 API No. 40 063 20588.01 Date Issued: June 29, 2009
 Conditions, if any, on attached page.