

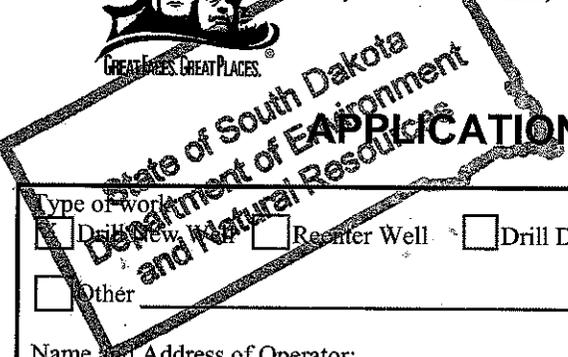


DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES
 Minerals Mining Program - Oil & Gas Section
 2950 West Main, Suite #1, Rapid City, SD 57702-2493
 Telephone: 605-394-2229, FAX: 605-394-5317

FORM 2
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DEC 04 2009

DEPT OF ENVIRONMENT & NATURAL
 RESOURCES - RAPID CITY



APPLICATION FOR PERMIT TO DRILL

Type of work:
 Drill New Re-enter Well Drill Directional Well
 Other _____

Type of well:
 Oil Well Gas Well Injection
 Other _____

Name and Address of Operator: Spyglass Cedar Creek, LP 595 S. Castell Ave., New Braunfels, TX 78130 Telephone 830-626-7100

Name and Address of Surface Owner: George Acton 260 N. Lyon Ave., Spc 36, Hemet CA 92547-3800

Name and Address of Drilling Contractor and Rig Number: Elenburg Exploration 1910 North Loop, Casper, WY 82602

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

SENW Sec 22 T17NR4E, Harding, 2019' FNL 1920' FWL Lat=45deg25'26.88" Lon=103deg37'12.26"

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

| Acres in Spacing (Drilling) Unit | Description of Spacing Unit |
|----------------------------------|-----------------------------|
| 320 | N 1/2 Sec 22 T17N R4E |

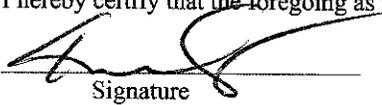
| Well Name and Number | Elevation | Field and Pool, or Wildcat | Proposed Depth and Formation |
|----------------------|-----------|----------------------------|------------------------------|
| Fox 6-22 | 3156.6' | Wildcat | 2200' Eagle/Shannon |

| Size of Hole | Size of Casing | Weight per Foot | Depth | Cementing Program (amount, type, additives) | Depth |
|--------------|----------------|-----------------|-------|--|---------|
| 1) 9 7/8" | 7" | 17# | 400' | 200sx Class G 2% CaCl2, .25#/sk | to surf |
| 2) | | | | Celloflake, 100% excess | surf |
| 3) 6 1/4" | 4 1/2" | 10.5# | 2200' | 105 sx Lite, tail w/125 Class G plus additives | to surf |
| 4) | | | | | |

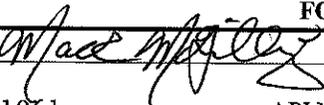
Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, Including Estimated Date of Starting any Proposed Work). Use additional page(s) if appropriate.

Drill with fresh water mud to 2200'. 12 mil pit liner. Anticipated spud Dec 15, 2009.

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
 Kevin Sellers Name (Print)
 Partner Title
 11/30/2009 Date

FOR OFFICE USE ONLY

Approved By:  For Fred V. Stece Title: Oil and Gas Supervisor
 Permit No. 1961 API No. 40 063 20699 Date Issued: December 21, 2009
 Conditions, if any, on attached page.