



APR 11 2007

DEPT OF ENVIRONMENT & NATURAL  
 RESOURCES - RCRO

## APPLICATION FOR PERMIT TO DRILL

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:    Telephone  
 Spyglass Cedar Creek, Inc.    595 S. Castell St. New Braunfels TX, 78130    (830) 626-7100

Name and Address of Surface Owner:  
 Scott Peterson    10919 Country Club Road Belle Fourche, SD. 57717

Name and Address of Drilling Contractor and Rig Number:  
 Elenberg Exploration #8    1910 N 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):  
 NWSE Sec. 5 T17N, R4E 1976' FNL & 1982' FWL Harding County SD

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

Acres in Spacing (Drilling) Unit	Description of Spacing Unit
320	NWSE Sec. 5 T17N R4E

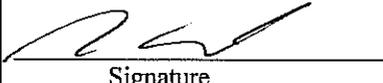
Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Peterson 6-5	3172.6'	Wildcat	2,200' Shannon

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 9 7/8	7	17	430	200 SKS Class g 2% CaC12	Surf
2) 6 1/4	4 1/2	10.5	2200	.25 #/SK celloflake, 100% excess	2200
3)				105 sks, Lite 1500, 2%CaCl. .25	to
4)				125 sks G 1% CaCi, .7%CFL, .25#/sk	Surf

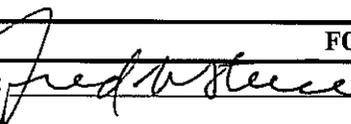
Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, Including Estimated Date of Starting any Proposed Work). Use additional page(s) if appropriate.

Drill with fresh water mud to 2200', 12 mil pit liner. Anticipated Spuid date May 1st, 2007

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

    March Kimmel    General Partner    04/02/2007  
 Signature    Name (Print)    Title    Date

**FOR OFFICE USE ONLY**

Approved By:     Title: Oil and Gas Supervisor

Permit No. 1826    API No. 40 063 20621    Date Issued: April 26, 2007

Conditions, if any, on attached page.