



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 LP 595 S Castell New Braunfels TX 78130 (830) 626-7100

Name and Address of Surface Owner:
 Ray Gilbert Po Box 166 Buffalo SD 57720

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):

Jms
 NWNW Sec 16 T17N R4E 1320 FNL & 1320 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 NWNW Sec 16 T17N R4E

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Gilbert-State 3-16	3131.3	Wildcat	2200 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 g 2% CaC12	Surf
2) 6 1/4	4 1/2	10.5	2200	.25 #/SK celoflake, 100% excess	2200
3)				105SKS, Lite 1500, 2%CaCl. .25	to
4)				125 sks G 1% CaCl, .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 Spud date May 3rd, 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.

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

FOR OFFICE USE ONLY

Approved By: *[Signature]* Title: Oil and Gas Supervisor
 Permit No. 1828 API No. 40 063 20623 Date Issued: May 8, 2007
 Conditions, if any, on attached page.