SD EForm - 0437 V1

DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES
Minerals & Mining Program - Oil & Gas Section
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FORM 2

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APR 25 2008
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
[ ] Other

Type of well:
[✓] Oil Well [ ] Gas Well [ ] Injection
[ ] Other

Name and Address of Operator:
Continental Resources, Inc. P.O. Box 1032 Enid, OK 73702

Telephone
(580) 233-8955

Name and Address of Surface Owner:
Leonard & Lavonne Nygaard RR 1 Box 94, South Scranton, SD 58653

Name and Address of Drilling Contractor and Rig Number:
Nabors Drilling, Rig #42 515 W. Greens Rd., Suite 1000, Houston, TX 77067

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):
300 FNL & 300 FEL, Sec 16-22N-7E, Harding Co., NENE

If Directional, top of pay and bottom hole location from nearest lines of section:
Top of Pay 9150' TVD @ 589' FNL & 590' FEL BHL 660' FSL & 660' FWL, Sec 16-22N-7E

Acres in Spacing (Drilling) Unit
640 acres, order #10-2008

Description of Spacing Unit
All of section 16-22N-7E

Well Name and Number	Elevation	Field and Pool, or Wildcat	Proposed Depth and Formation
Jenkins 1-16H	2941	Wildcat	15,104' MD, Red River B

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 13 1/2"	9 5/8"	36#	1440	350 sks "C", 2% GYP; 190 sks "C"	
2) 8 3/4"	7"	23-29#	9380	640 sks 35/65 Poz/"G"; 250 sks "G"	
3)					
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.

The Jenkins 1-16H is a horizontal Red River "B" test. The well will be drilled vertically to approximately the top of the Silurian interlake formation before drilling a medium radius build section in a 225 degree azimuth at 9150' TVD. Pit will be lined with a 12 mil plastic liner. Estimated spud date 9/11/08.

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	Name (Print)	Title	Date
Nicole Caddell	Nicole Caddell	Regulatory	04/22/2008

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Approved By: [signature] Title: Oil and Gas Supervisor

Permit No. 1873 API No. 40 063 20648 Date Issued: May 27, 2008

Conditions, if any, on attached page.