

Walk Only  
No Vehicles

**State Line 3-D**

Client : Headington Oil Ltd. Partnership  
 Contractor : Trace Ventures  
 Surveyors : Lone Star Surveys

Point Count  
 1107 Shot Points  
 1520 Receivers  
 Job Area  
 12.91 square miles

**State Line 3-D**

- Receivers
- Shot Points
- Exclusion Zones
- Power Line
- Creek
- Bugle Holes
- Access
- MMMM Fences
- Bureau of Land Management
- Forestry Service Walk Only
- Water
- Pipe Line
- Water Walls
- Highway
- Road
- Trails
- Sections

419-104  
148-105



**SUNDRY NOTICE**  
 INDUSTRIAL COMMISSION OF NORTH DAKOTA  
 OIL AND GAS DIVISION  
 SFN 51458 (11-97)

PERMIT # 970052  
 600 E BOULEVARD AVE  
 BISMARCK, ND 58505

2000

Project Name: STATE LINE 3-D

County: McKENZIE, N. DAKOTA

Supplemental Information:

450 IN ND WELL

SUMMIT DRILLING BEGAN WORK ON STATELINE 3-D ON 8/4/2000. 1110 HOLES WERE PLUGGED ON THE COMPLETE JOB. THE DRILLING AND PLUGGING WAS COMPLETED ON 8/31/2000. 5100 BAGS OF BENTONITE WAS USED. 2 SHOT POINTS WERE NOT FIRED. THEY WERE 557184 & 185. LEADS WERE OUT DUE TO SPRING NEAR 84. 553110 WAS THE ONLY BLOWOUT ON THE COMPLETE JOB. NO FLOWING HOLES.

Company: TRACE VENTURES EXPLORATIONS INC.

Address: 4500 W. ILLINOIS AVE SUITE 118

City: MIDLAND State: TX Zip Code: 79703

By: MARK MICHAELSON Date: 9/15/2000

Title: PROJECT MANAGER Telephone Number: 9155201585

**FOR OFFICE USE ONLY**

Date Received:

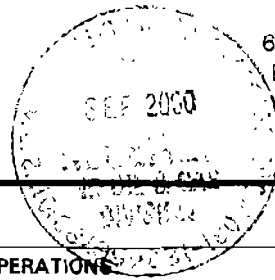
By:

Title:



**SEISMIC COMPLETION REPORT**  
 INDUSTRIAL COMMISSION OF NORTH DAKOTA  
 OIL AND GAS DIVISION  
 SFN 51456 (11-97)

600 E BOULEVARD AVE  
 BISMARCK, ND 58505



PERMIT NO.: 970052

SHOT HOLE OPERATIONS: SHOT HOLE 3-D \*NON-EXPLOSIVE OPERATIONS

**SECTION 1**

GEOPHYSICAL CONTRACTOR: TRACE VENTURES EXPLORATIONS INC.

PROJECT NAME AND NUMBER: N00-193 STATE LINE 3-D COUNTY(S): McKENZIE

TOWNSHIP(S): 148 ; 149 N. RANGE(S): 104 ; 105 W.

PERMITTED BY: GARY MCCARTNEY

DATE COMMENCED: 8/1/2000 DATE COMPLETED: 9/15/2000

**SECTION 2**

FIRST S.P. #: \_\_\_\_\_ LAST S.P. #: \_\_\_\_\_

LOADED HOLES (UNDETONATED SHOT POINTS)

S.P. #'s:	<u>557</u>	<u>557</u>											
	<u>184</u>	<u>185</u>											
CHARGE SIZE::	<u>10LB</u>	<u>10LB.</u>											
DEPTH:	<u>100'</u>	<u>100'</u>											

REASONS HOLES WERE NOT SHOT:  
FOREST SERVICE WANTED TO MOVE AWAY FROM SPRINGS NOT FOUND BY SURVEYORS.

**SECTION 3**

FLOWING HOLES  
 S.P.#'s NONE

PROCEDURE FOR PLUGGING FLOWING HOLES:  
N/A

Include a 7.5 minute USGS topographic quadrangle map or a computer generated post-plot facsimile of the approximate scale displaying each individual shot hole, SP #, line #, and legal location.

\*Non-Explosive Operations - Complete Section 1 and Affidavit.

**AFFIDAVIT OF COMPLETION (GEOPHYSICAL CONTRACTOR)**

MONTANA - NOTARY  
STATE OF NORTH DAKOTA )  
NORTH DAKOTA )  
COUNTY OF Richland )  
NOTARY

McKENZIE COUNTY, N.D.

Before me, PATRICIA A. Smart, a Notary Public in and for the said County and State, this day personally appeared MARK MICHAELSEN who being first duly sworn, deposes and says that (s)he is employed by TRICE Ventures Explorations, that (s)he has read North Dakota Century Code Section 38-08.1, that the foregoing seismic project has been completed in accordance with North Dakota Administrative Code Rule 43-02-12 and that the statements on the reverse side of this document are true.

  
\_\_\_\_\_  
Geophysical Contractor Representative

Subscribed in my presence and sworn before me this 15 day of September, 2000.

Notary Public Patricia A. Smart

My Commission Expires 2/13/03



**GEOPHYSICAL EXPLORATION PERMIT**  
 INDUSTRIAL COMMISSION OF NORTH DAKOTA  
 OIL AND GAS DIVISION  
 SFN 51459 (11-97)

600 E BOULEVARD AVE  
 BISMARCK, ND 58505

*Special*  
*Drill*

1) a. Company: Trace Ventures Exploration, Inc.	Address: 4500 W. Illinois, Suite 118, Midland, TX 79703	Telephone: (915) 520-1585	Fax: (915) 520-1586
Contact: Dave Wisniewski	Bond Amount: \$50,000.00	Bond Number: 6260 JX8395 <i>blw</i>	
Surety Company: <b>ST. PAUL FIRE &amp; MARINE DIV</b>	Address: <b>Summit Drilling Div</b>	Telephone: <b>WILLISTON, ND</b> 406-963-2507 <i>blw</i>	
2) a. Subcontractor(s):	b. Subcontractor(s):	c. Subcontractor(s):	
3) Party Manager: Mark Michaelson	Address: 4500 W. Illinois, Suite 118, Midland, TX 79703	Telephone: (915) 520-1585	
4) Project Name or Line Numbers: State Line 3-D <i>PLUG PERMIT NAME</i>			
5) Exploration Method (Shot Hole, Non-Explosive, 2D, 3D): Shot Hole (3-D)			
6) Approximate Drilling Start Date: 7/20/2000 <i>8/1/2000 blw</i>		Approximate Completion Date: 9/1/2000	

**THE COMMISSION MUST BE NOTIFIED AT LEAST 24 HOURS IN ADVANCE OF COMMENCEMENT OF DRILL/PLUG OPERATIONS**

7) Location of Proposed Project - County McKenzie					
Section(s), Township(s) & Range(s)	Sec. 2, 3, 10, 11	T 148 N	R 105 W		
	Sec. 18, 19, 31, 32	T 149 N	R 104 W		
	Sec.				
	Sec.				
8) Size of Hole 4.75"	Amt. of Charge 10 lb powder	Depth 60 ft.	Shots per Mi. (sq. mi.) 90	No. of Mi. (sq. mi.) 12.3	Identifying Marks Used on Nonmetallic Plug Geophysical ID a. Plugger ID b. Plugger ID c. Plugger ID

9) Anticipated special drilling and plugging procedures?  
N/A

10) Enclose a pre-plot map with proposed location of seismic program lines and powder mag.

Signed: <i>[Signature]</i>	Title: Agent for Trace Ventures Explorations, Inc.	Date: July 14, 2000
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(This space for State Office use)

Permit No.: 970052	Approval Date: 7/20/00
Approved By: <i>[Signature]</i>	
Title: Geophysical Regulate Supervisor	
County Approval Sent: 7/20/00 McKenzie County	

Conditions of Approval if any:  
*conditions or additions made as per conversation w/ Mark Michaelson, Trace Ventures  
 already surface plug w/ #52, and contractor stamp, notify surface owner county and state field rep Kim Marti @ 227-7436 prior to drilling. All variances must be furnished upon request*  
*[Signature]*  
 7/20/00

\*See Instructions on Reverse Side

24 \*

19

Line 236: 5 Groups  
Line 231: 8 Groups  
Line 226: 11 Groups

Montana  
North Dakota

Koski Consulting Corporation  
HEADINGTON OIL COMPANY  
State Line 3-D, Part 1  
12.3 mi<sup>2</sup>  
T22&23N - R59&60E, Richland Co., MT  
T148N - R105W & T149N - R104W, McKenzie  
1:24,000  
John Koski: 406-248-9392 Fax: 406-255-7125 email:

1,098 Total Shots  
1,476 Total Receivers

\*

25

30

29

18

Line 221: 41 Groups  
Line 216: 49 Groups  
Line 211: 55 Groups 17  
Line 206: 58 Groups  
Line 201: 49 Groups

\*

36

31

32

19

T23N

T22N

1

← Shots →  
@ 220' SI

6

5

30

12

7

8

31

32

13

1,100'

18

17

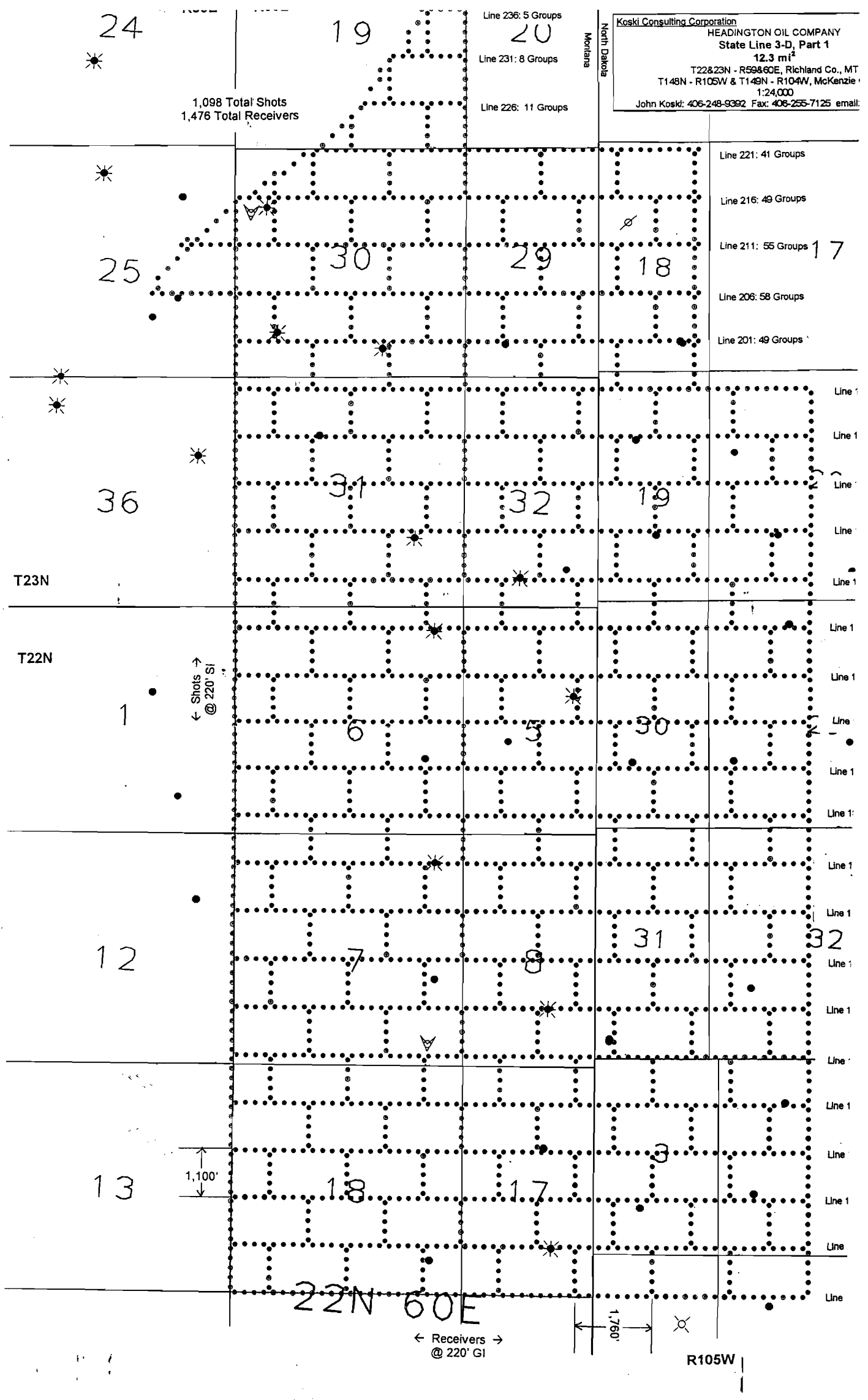
3

22N 60E

← Receivers →  
@ 220' GI

1,760'

R105W



NORTH DAKOTA INDUSTRIAL COMMISSION

**OIL AND GAS DIVISION**

Lynn D. Helms  
DIRECTOR

<http://explorer.ndic.state.nd.us>

Bruce E. Hicks  
ASSISTANT DIRECTOR

July 20, 2000

Dave Wisniewski  
Tracc Venture Exploration, Inc.  
4500 W. Illinois, Ste. 118  
Midland, TX 79703

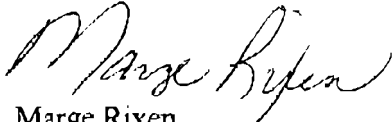
**RE: GEOPHYSICAL EXPLORATION PERMIT NO. 970052  
STATE LINE 3-D  
MCKENZIE COUNTY, NORTH DAKOTA**

Dear Mr. Wisniewski:

This letter will verify the approval of the above-captioned Geophysical Permit effective July 20, 2000.

Please feel free to contact Mr. David Hvinden, Geophysical Regulation Supervisor if you should have any questions.

Sincerely,



Marge Rixen  
Legal Assistant

/mr

NORTH DAKOTA INDUSTRIAL COMMISSION

**OIL AND GAS DIVISION**

Lynn D. Helms  
DIRECTOR

<http://explorer.ndic.state.nd.us>

Bruce E. Hicks  
ASSISTANT DIRECTOR

July 20, 2000

The Honorable Frances M. Olson  
McKenzie County Auditor  
P.O. Box 543  
Watford City, ND 58854

RE: Geophysical Exploration  
Permit # 97-0052

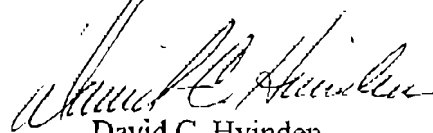
Dear Ms. Olson:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that Trace Ventures Exploration, Inc. was issued the above captioned permit on July 20, 2000 and will remain in effect for a period of one year.

Please note that this is a replacement for North Dakota Geophysical Permit # 970050 that was submitted by Reliable Exploration, Inc., that permit has been cancelled.

Should you have any questions, please contact our office.

Sincerely,



David C. Hvinden  
Geophysical Regulation Supervisor

DCH/dh

*PLEASE NOTE THAT THE PRE-PLAT MAP FOR PERMIT # 970050  
IS THE SAME FOR #970052. THANKS.*