



Paleohigh

INDUSTRIAL COMMISSION OF NORTH DAKOTA SFN 51457 (11-97) Page 2 \*970109

Pleasant Mills

| PERMIT | NUMBER: |
|--------|---------|
|        |         |

05-5 ND153

| AFFIDAVIT OF PLUGGING (HOLE PLUGGER | ₹} |  |
|-------------------------------------|----|--|
|-------------------------------------|----|--|

STATE OF NORTH DAKOTA

COUNTY OF Mc Koppie

Before me, Genevieve Maddinger, a Notary Public in and for the said

County and State, this day personally appeared Type Made 11

who being first duly sworn, deposes and says that (after is employed by Summit Dyiling, and that the foregoing seismic project has been plugged in accordance with North Dakota Administrative Code Rule 43-02-12 and that the statements on the attached documents are true.

Subscribed in my presence and sworn before me this 8 day of 2006.

Notary Public

Nordanceja

My Commission Expires <u>63-08-2009</u>



## AFFIDAVIT OF PLUGGING (HOLE PLUGGER)

| STATE OF NORTH DAKOTA )   |
|---|
| STATE OF HOMEN DAKOTA   |
| COUNTY OF Richard, MT   |
| Before me,  |
| ,   |
| who being first duly sworn, deposes and says that (s)he is employed by the mul Dist Inc Pleasant Hill-3-P, that (s)he has read North Dakota |
| Century Code Section 38-08.1 and that the foregoing seismic project has been plugged in   |
| accordance with North Dakota Administrative Code Rule 43-02-12 and that the statements on   |
| the attached documents are true.  |
| tile attacine gotometics are tibe.  |
|   |
| Hole Plugger Representative   |
| $^{\prime}$   |
| Subscribed in my presence and sworn before me this 6th day of 1000 mbor, 3005.  |
| Subscribed in my presence and sworn before me this of day of how more, 305.  Notary Public  |



## SEISMIC COMPLETION REPORT

INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 51436 (03-2005)



| Permit No GTOICG   |  |
|--|--|
| Shot Hole Operations UES   | *Non-Explosive Operations W A                                |
| SECTION 1  |  |
| Geophysical Contractor TEXIA EXIDEATION (ISA LTD.  |  |
| Geophysical Contractor  TESIA Explocation USA LTD  Project Name and Number 100 05-5-UIS3ND                     | Caunty(s) MC KEWZIE  |
| Township(s)  | Range(s) GO W AND DOW  |
| Drilling and Plugging Campactors SUMMIT DCITING  |  |
| DRIVING 10/30/05   | Party Completed Perol DIKL, CREW Comp. 11-8-05               |
| SECTION 2  | ,<br>  |
| First S.P # 3D PROGRAM   | 3) PROGRAM   |
| Loaded Holes (Undetonated Shot Points)   | <del></del>  |
| SP#s 597 565   |  |
| Charge Size 5 lbs 5 lbs  |  |
| Depth 46 kg kg   |  |
| Reasons Holes Were Not Shot 565-163. Dead Caps   |  |
| CAP leads were cut   |  |
| SECTION 3  |  |
| Flowing Holes and/or Blowouts SP#S 3P 621 129; SP 629 124 Were blow  | พขึ้นTS  |
| Procedure for Plugging Flowing Holes and or Blowouts  BOTH HELPS WESE FILLED TO P  TO DOTTOWN WILL BENEFONSTE. |  |
| Include a 7,5 minute USGS topographic quadrangle map or a computer generated p                                 | pust-plot facsimile of the approximate scale displaying each |

<sup>\*</sup>Non-Explosive Operations - Complete Section 1 and Affidavit.

| AFFIDAVIT OF COMPLETION (GEOPHYSICAL CONTRACTOR)  |
|---|
| STATE OF MESTIN DURETTE   |
| COUNTY OF WULLIAM )   |
| Before me, KITIL CENCIVEAU , a Notary Public in and for the said  |
| County and State, this day personally appeared <u>FIEA DUMINGUEZ</u>  |
| who being first duly sworn, deposes and says that (s)he is employed by  |
| EXPORATION , 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.   |
| had a Minimager   |
| Geophysical Contractor Representative   |
| Subscribed in my presence and sworn before me this State day of Movember, 2015.                                       |
| KATIE GENDREAU Notary Public State of North Dakote My Commission Expires August 17, 2011 Notary Public  Notary Public |
| My Commission Expires <u>MUGHAT IT</u> , <u>ACII</u>  |



## **REPORT OF UNEXPLODED CHARGES**

| Program: Plesant Hills 3D                                     | Permit No 97010     | 09                                |  |  |  |  |  |
|---|---------------------|-----------------------------------|--|--|--|--|--|
| Licensee:   | Permittee: Tesla Ex | Permittee: Tesla Exploration Ltd. |  |  |  |  |  |
| Drilling Contractor: Summit Drilling                          | Driller / Shooter:  | 7im Swenson                       |  |  |  |  |  |
| Line No: 565  | Shotpoint No:       | 163                               |  |  |  |  |  |
| Location: Approx 3 miles SE of Whatford City, North Dakota    |                     |                                   |  |  |  |  |  |
| Latitude N47 Degrees  | 44 Minutes          | 54 22 Saconds                     |  |  |  |  |  |
| Longitude E103 Degrees  | 32 Minutes          | 13.3 Seconds                      |  |  |  |  |  |
| Co-ordinate System Used: NAD 27 XX or                         | NAD 83              |                                   |  |  |  |  |  |
| Hole Depth: 40 feet   | Charge Depth        | 40 feet                           |  |  |  |  |  |
| Charge Size: 5 lbs.   | Number of Caps      | 1                                 |  |  |  |  |  |
| Type of Charge (plastic/paper, NG/Watergel, ect).:            | NGWatergel          |                                   |  |  |  |  |  |
| Date Drilled/Loaded: Oct. 30, 2005                            | Date of Misfire     | Nov. 6, 2005                      |  |  |  |  |  |
| Was shotpoint offset from station flag? If yes, give distance | and direction:      | No                                |  |  |  |  |  |
| Condition in which shotpoint was left:                        |                     |                                   |  |  |  |  |  |
| Abandoned   |                     |                                   |  |  |  |  |  |
| Remarks/Action taken:   |                     |                                   |  |  |  |  |  |
| Cap lead were cut   |                     |                                   |  |  |  |  |  |

| Name: Fred Dominguez     |               | Field Administrator    |
|--------------------------|---------------|------------------------|
| Signature Will Norwill   | Сотрапу:      | Tesla Exploration Ltd. |
| Date: November 2nd, 2005 | Telephone No: | (403) 216-0999         |
| 3                        | Fax No:       | (403) 216-0989         |
|                          |               |                        |
|                          |               |                        |



# REPORT OF UNEXPLODED CHARGES

| Program: Plesent Hills  | 3D          |               |           |                      | Permit No 97010                   | 9            |                      |  |  |  |  |
|-------------------------|-------------|---------------|-----------|----------------------|-----------------------------------|--------------|----------------------|--|--|--|--|
| Licensee:               |             |               |           | Permittee: Tesla Exp | Permittee: Tesla Exploration Ltd. |              |                      |  |  |  |  |
| Drilling Contractor: S  | ummit Dri   | liing         |           |                      | Driller / Shooter:                | Tim Swenson  |                      |  |  |  |  |
| Line No: 565            |             |               |           |                      | Shotpoint No:                     | 163          |                      |  |  |  |  |
| Location: Approx. 3 mi  | les SE of \ | Whatford Cit  | y, North  | Dakota               |                                   | _            |                      |  |  |  |  |
| Latitude                | N47         | Degrees       |           |                      | 44 Minutes                        |              | 54.22 <b>Seconds</b> |  |  |  |  |
| Longitude               | £103        | Degrees       |           |                      | 32 Minutes                        |              | 13.3 Seconds         |  |  |  |  |
| Co-ordinate System U    | sed:        | NAD 27        | ХX        | Of                   | NAD 83                            |              |                      |  |  |  |  |
| Hole Depth: 4           | O feet      |               |           |                      | Charge Depth                      | 40 feet      |                      |  |  |  |  |
| Charge Size: 5          | lbs.        |               |           |                      | Number of Caps                    | 1            |                      |  |  |  |  |
| Type of Charge (plastic | c/paper, N  | IG/Waterge    | i, ect).: |                      | NG/Watergel                       |              |                      |  |  |  |  |
| Date Orilled/Loaded: O  | oct. 30, 20 | 05            |           |                      | Date of Misfire                   | Nov. 6, 2005 |                      |  |  |  |  |
| Was shotpoint offset fr | rom static  | on flag? If y | es, give  | distance             | e and direction:                  | No           |                      |  |  |  |  |
| Condition in which sho  | tpoint wa   | ıs left:      |           |                      |                                   |              |                      |  |  |  |  |
| Abandoned               |             |               |           |                      |                                   |              |                      |  |  |  |  |
| Remarks/Action taken:   |             |               |           |                      |                                   |              |                      |  |  |  |  |
| Cap lead were cut       |             |               |           |                      | <u> </u>                          |              |                      |  |  |  |  |
|                         | -           |               |           |                      |                                   |              |                      |  |  |  |  |
|                         |             |               |           |                      |                                   |              |                      |  |  |  |  |

| Name:    | Fred Dominguez     | Title:        | Field Administrator    |
|----------|--------------------|---------------|------------------------|
| Signatur | e ald a haminia    | Company:      | Tesla Exploration Ltd. |
| Date:    | November 2nd, 2005 | Telephone No: | (403) 216-0999         |
|          | <i>y</i>           | Fax No:       | (403) 216-0989         |
|          |                    |               |                        |
|          |                    |               |                        |

#### GEOPHYSICAL EXPLORATION PERMIT

INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 51459 (03-2005)

| 1) a. Company                                |                    | ٨             | Addre                    |   | 0 Hayes     | M+ 50     | E04                                     |                |                             |              |                   |
|--|--------------------|---------------|--------------------------|---|-------------|-----------|---|----------------|-----------------------------|--------------|-------------------|
|  | ation Ltd. U.S     | .A.           |                          | ).Box 161   | U Havre     | ,MIL. 59  |   | Fax            |                             |              |                   |
| Contact                                      |                    |               | Telep                    |   | <b>co</b>   |           |   |                | 346 000                     | <b>a</b>     |                   |
| Brian Korol                                  |                    |               | <u> </u>                 | (403) 216-1860                                    |             |           |   | (403) 216-0989 |                             |              |                   |
| Surety Company                               |                    |               |                          | 20,70 / 11.02                                     |             |           |   | 965002/43      |                             |              |                   |
| Liberty Mutu                                 | al Insurance (     | ompan         | y \$50                   | 0,000.00  |             |           |   |                |                             | <u>214:</u>  | <u> </u>          |
| 2) a. Subcontracto                           | or(s)              |               | Addre                    |   |             |           |   | Telephon       | _                           |              |                   |
| Midcon Perm                                  | nit Services (F    | ermits)       | 128                      | 377 W 78t   | h Circle,   | Arvada    | ,Co.80005                               | (303)          | 885-989                     | 0            |                   |
| b. Subcontracto                              |                    | $\overline{}$ | Addre                    | 226   |             |           |   | Telephon       |                             |              |                   |
| E.C.S. I                                     | inc. (Su           | ruey)         | 1110                     | 1 54h S   | T. S.W.     | Siddle    | 1. INT 59270                            | (406)          | )-482                       | 2-60         | 66                |
| c. Subcontracto                              |                    |               | Addre                    | 655   |             | 1         | , ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | Telephon       |                             |              |                   |
| Summit Drill                                 | ing (Drilling)     |               | нс                       | 52 Box 2  | 018 Fro     | id,Mt. 5  | 9266                                    | (406) 963-2500 |                             |              |                   |
| 3) Party Mariager                            |                    |               | Addre                    | ess   |             |           |   | Telephone      |                             |              |                   |
| Larry Smith                                  |                    |               | Wil                      | liston, N.  | D.          |           |   | (403)          | 819-572                     | 9            |                   |
| 4) Project Name o                            | r Line Numbers     |               | _                        | -   |             |           |   |                |                             |              | -                 |
| PLEASAI                                      | UT HILL .          | $3D_{\perp}$  |                          |   |             |           |   |                |                             |              |                   |
| 5) Exploration Met                           | had (Shot Hole, No | зп-Ехріов     | ve. 2D, 3D)              |   |             |           |   |                |                             |              |                   |
| Shot Hole 3                                  | D                  |               |                          |   |             |           |   |                |                             |              |                   |
| 6) Approximate Dr                            | illing Start Date  |               |                          |   | A           | pproxima  | te Completion                           | Date           |                             |              |                   |
| 1  | Det 24/05          | <u> </u>      |                          |   |             | 0         | Y 31/15                                 | 5              |                             |              |                   |
| THE COMM                                     | MISSION MUST B     | E NOTIF       | IED AT LE                | AST 24 HO   | URS IN AC   | VANCE     | OF COMMEN                               | NCEMEN         | T OF DRI                    | LL/PLUG      | OPERATIONS        |
| 7) Location of Proj                          | posed Project - Co | unty          | _                        |   |             |           |   |                |                             |              |                   |
| M  | C KENZIE           | <u> </u>      |                          |   |             |           |   |                |                             |              |                   |
| Section(s)                                   | , Township(s) & Ra | ange(s)       | Sec.<br>3. 4             | 5678  | 9/0.15      | 16.       | 149                                     | <u> </u>       | ĮF                          | 990          | <i>\uldagger</i>  |
|  |                    |               | Sec                      | 12 1/3 :  | 20 21       | 7 7       | 149                                     | 1/             | F                           | . 00         | 145               |
|  |                    |               | Sec.                     | (O) 17, 2   | 20,2/,      |           |   | <u> </u>       | F                           | <del></del>  | <u>v</u>          |
|  |                    |               | 1.1                      | 2.13  | 5 24        | Ι.        | 149 A                                   |                | ľ                           | 100          | W                 |
|  |                    |               | Sec                      | <del>- / - /</del>                                |             | ī         | î                                       |                | F                           | ₹,           |                   |
|  |                    |               |                          |   |             |           |   |                |                             | <u> </u>     |                   |
| 8) Size of Hole                              | Amt of Charge      | Depth         | Shots per<br>Mi.(sq.mi.) | No. of Mi.<br>(sq.mi.)                            | Geophy      | al Issian | <u>Identifying M</u><br>a. Plugg        |                |                             | _            |                   |
| 3 1/2 Inch                                   | 5 Lbs.             | 40Ft.         | . , ,                    | ` ' '   | — ·         |           | 7                                       |                |                             |              |                   |
|  |                    |               | 75/sq.mi                 | 10.6  | Pern        | nit#?     | Summi                                   | t Dr.          |                             |              |                   |
| 9) Anticipated spec                          |                    |               |                          | ,   |             |           | _                                       |                | 4.                          |              | 1 1               |
| NONE - E                                     | BENTONITE.         | FROM          | the ChA                  | RAC YOU   | WITHIN.     | 2 TO 3,   | FT. FROM S                              | URFACE         | - PLACE                     | PLUG AL      | VO NATIVE LATTING |
| 10) Enclose a pre-                           | plot map with prop | osed loca     | tion of seisn            | nic program                                       | lines and p | owder ma  | ıg.                                     |                |                             |              | TO SURFACE.       |
|  |                    | 1             |                          |   |             |           |   |                |                             |              |                   |
| Signed /                                     | 1/ //              | 7             | Title                    |   |             |           |   | Date           | 1.1.                        | . /          | ,                 |
| 19 A.  | X soul             |               | an                       | RATION  | 5 SUPF      | RVISO     | R. USA.                                 | L              | $p_{o} \forall \mathcal{A}$ | 6/15         |                   |
|  | [This spa          | ice for St    | ate office u             | 50)   |             |           | , , , , , , , , , , , , , , , , , , ,   | Cond           | itions of A                 | pproval if a | ыпу               |
| Permit No 97                                 | 0109               |               | Appro                    | oval Date   | -30-0       | س د       |   |                |                             |              |                   |
| Approved by Will Still Kelly Triplett  Title |                    |               |                          |   |             | Ter       |   |                |                             |              |                   |
| Title Cataly                                 | 41 C 1 5           | )             |                          | ۱۰ (۲ <u>۰۱۲) .</u><br>سعریسان <sub>ند</sub> ی، س |             |           |   |                |                             |              |                   |
| County Approval S                            |                    | er Mi         | ( .//!                   | معمیسان <sub>د ک</sub> ی سر                       | •           |           |   |                |                             |              |                   |
|  | McKen              | 216           |                          |   |             |           |   |                |                             |              |                   |



## Oil and Gas Division

Lynn D. Helms - Director

Bruce E. Hicks - Assistant Director

#### Department of Mineral Resources

Lynn D. Helms - Director

#### North Dakota Industrial Commission

www.oilgas.nd.gov

September 30, 2005

Mr. Brian Korol Tesla Exploration Ltd., U.S.A. P. O. Box 1610 Havre, MT 59501

RE: Geophysical Exploration Permits # 97-0107, 97-0108, and 97-0109

Wahoo 3D, South Tobacco 3D, and Pleasant Hill 3D Williams and Mckenzie Counties, North Dakota

Dear Mr. Korol:

Please be advised that we are in receipt of your Geophysical Exploration permit and have conditionally approved your permit effective for one year from September 28, 2005. Please review the following conditions for your permit:

- 1. A pre-program meeting with state seismic inspector Tom Torstenson may be required. You must contact him at 701-227-7436 (w) or 701-290-1546 (cell) at least 24 hours prior to any exploration operations.
- 2. All variances for distance restrictions are to be furnished, and a pre-plot map displaying any source points that do not comply with the distance restriction rule must be supplied to the inspector.
- 3. The post plot map must show all water wells, buildings, underground cisterns, pipelines, and flowing springs that fall within the program area and within one half mile of the perimeter of the program.
- 4. If available, a SEG P1 with all source and receiver points should be made available to the Oil and Gas Division upon filing of the seismic completion report within 30 days of the completion of the program.
- 5. It is required that within seven days of initial contact between the permitting agent and the operator of the land, the permitting agent shall provide the operator of the land and each landowner owning land within one-half mile [.80 kilometer] of the land on which geophysical exploration activities are to be conducted a written copy of section 38-08.1-04.1 and chapter 38-11.1. The permitting agent shall file an affidavit with this office confirming compliance with such notification.
- 6. The permitting agent shall notify the operator of the land at least seven days before the commencement of any geophysical exploration activity, unless waived by mutual agreement of both parties. The notice must include the approximate time schedule and the location of the planned activity.

Should you have any questions regarding this matter, feel free to contact me at 701-328-8020, or Tom Torstenson at the numbers listed in paragraph 1.

Sincerely,

Kelly Triplett

Geophysical Permit Manager



## Oil and Gas Division

Lynn D. Helms - Director

Bruce E. Hicks - Assistant Director

#### Department of Mineral Resources

Lynn D. Helms - Director

#### North Dakota Industrial Commission

www.oilgas.nd.gov

September 30, 2005

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

RE: Geophysical Exploration

Permit # 97-0108 and 97-0109

Dear Ms. Olson:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that Tesla Exploration Ltd. U.S.A. was issued the above captioned permits on September 30, 2005 and will remain in effect for a period of one year.

Should you have any questions, please contact our office.

Sincerely,

Kelly Triplett

Geophysical Permit Manager

h All