

# Oil and Gas Division 970114

Lynn D. Helms - Director      Bruce E. Hlicks - Assistant Director

Department of Mineral Resources

Lynn D. Helms - Director

North Dakota Industrial Commission

[www.dmr.nd.gov/oilgas](http://www.dmr.nd.gov/oilgas)



12/4/2008

JIM HUFF  
DAWSON GEOPHYSICAL  
508 WEST WALL, STE. 800  
MIDLAND, TX 797019976

RE: See Attached List of Projects

Dear Jim:

According to our records, our office has not received a letter confirming that all surface owners have been given a written copy of NDCC Section 38-08.1-04.1 (Exploration Permit) and NDCC Chapter 38-11.1 (Oil and Gas Production Damage Compensation). Please submit the letter at your earliest convenience.

If you have any questions, feel free to contact our office.

Sincerely,



Richard A. Suggs  
Engineering Technician

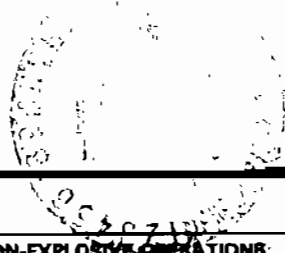
List of Projects Missing a Letter Confirming Surface Owners Notification for  
DAWSON GEOPHYSICAL

WEST HALEY 3-D  
BOWMAN COUNTY  
PERMIT NO. 970119

COMPLETION DATE: 12/4/2006

PARSHALL 3-D  
MOUNTRAIL COUNTY  
PERMIT NO. 970114

COMPLETION DATE: 11/24/2006



PERMIT NO.: ~~970114~~ 970114

SHOT HOLE OPERATIONS: *N/A* \*NON-EXPLOSIVE OPERATIONS: *Victorinox only*

**SECTION 1**

GEOPHYSICAL CONTRACTOR: *Dawson Geophysical Company*

PROJECT NAME AND NUMBER: *Parshall 3D* COUNTY(S): *Mountrail*

TOWNSHIP(S): *152N + 153N* RANGE(S): *89W, 90W, 91W +*

PERMITTED BY: *Ray L. Kohse* *Bill Michaeli*

DATE COMMENCED: *10/8/2006* DATE COMPLETED: *11/24/2006*

**SECTION 2**

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

LOADED HOLES (UNDETONATED SHOT POINTS)

S.P. #'s:																				
CHARGE SIZE::																				
DEPTH:																				

REASONS HOLES WERE NOT SHOT: *10' holes drilled*

**SECTION 3**

FLOWING HOLES  
 S.P. #'s: *N/A*

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)

STATE OF NORTH DAKOTA )

COUNTY OF Mountain )  
Johnson )

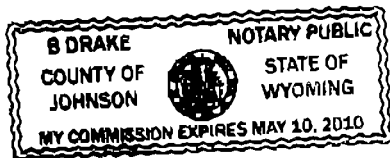
Before me, Bonnie Drake, a Notary Public in and for the said County and State, this day personally appeared William Michaeli who being first duly sworn, deposes and says that (s)he is employed by Dawson.

\_\_\_\_\_, 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.

It is my understanding that North Dakota Century Code Section 38-08.1 in accordance with North Dakota Administrative Code Rule 43-02-12 covers the drilling of oil and gas wells and very little to do with, if any, Vibrosis seismic on the surface of the ground. I personally have no knowledge of well drilling activities or its affects on the subsurface.

William Michaeli  
Geophysical Contractor Representative

Subscribed in my presence and sworn before me this 5<sup>th</sup> day of Dec, 2006.

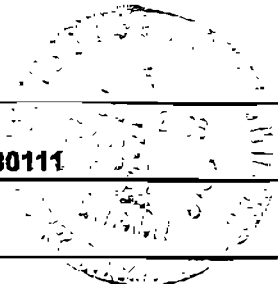


Notary Public B Drake

My Commission Expires 5/10/10



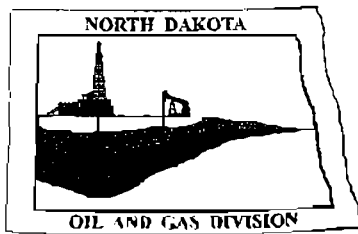
**GEOPHYSICAL EXPLORATION PERMIT**  
 INDUSTRIAL COMMISSION OF NORTH DAKOTA  
 OIL AND GAS DIVISION  
 600 EAST BOULEVARD DEPT 405  
 BISMARCK, ND 58505-0840  
 SFN 51459 (03-2005)



1) a. Company <b>Dawson Geophysical Co.</b>		Address <b>8400 E. Prentiss Ave., Ste 1500, Greenwood Village, CO 80111</b>	
Contact <b>Joe Broussard</b>	Telephone <b>303-409-7787</b>	Fax <b>303-409-7788</b>	
Surety Company <b>U. S. Specialty Ins. Co.</b>	Bond Amount <b>\$25,000.00</b>	Bond Number <b>B000778</b>	
2) a. Subcontractor(s)		Address	
b. Subcontractor(s)		Address	
c. Subcontractor(s)		Address	
3) Party Manager <b>Zane Zlrschky</b>		Address <b>Same as above</b>	
4) Project Name or Line Numbers <b>Parshall 3D</b>			
5) Exploration Method (Shot Hole, Non-Explosive, 2D, 3D) <b>Vibroseis (non-explosive), 3D</b>			
6) Approximate Drilling Start Date <b>N/A Sept 15 2006</b>		Approximate Completion Date	

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

7) Location of Proposed Project - County <b>Montrail</b>							
Section(s), Township(s) & Range(s)		Sec. <b>5, 6, 7, 8, 17, 18</b>	T. <b>152</b>	R. <b>89</b>			
		Sec. <b>1 THRU 18</b>	T. <b>152</b>	R. <b>90</b>			
		Sec. <b>1, 2, 3, 10, 11, 12, 13, 14, 15</b>	T. <b>152</b>	R. <b>91</b>			
		Sec. <b>15 THRU 36</b>	T. <b>153</b>	R. <b>90</b>			
		<b>19, 20, 21, 22, 27, 28, 29, 30, 31, 32, 33, 34</b>	<b>153</b>	<b>89/90</b>			
8) Size of Hole	Amt of Charge	Depth	Shots per Mi. (sq.mi.)	No. of Mi. (sq.mi.)	Identifying Marks Used on Nonmetallic Plug		
					Geophysical ID	a. Plugger ID	b. Plugger ID
<b>N/A</b>			<b>72</b>	<b>64</b>			
9) Anticipated special drilling and plugging procedures? <b>N/A</b>							
10) Enclose a pre-plot map with proposed location of seismic program lines and powder mag. <b>enclosed</b>							
Signed <i>John Masley</i>		Title <b>Permit Agent</b>			Date <b>July 5, 2006</b>		
(This space for State office use)					Conditions of Approval if any  <i>See attached letter</i>		
Permit No. <b>97-0114</b>		Approval Date <b>JUL 11 2006</b>					
Approved by <b>KELLY TRIPLETT</b>		Original signed by <b>Mineral Resources</b>					
Title <b>Permit Manager</b>		County Approval Sent <b>Montrail</b>					



# Oil and Gas Division

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July 11, 2006

Mr. John Morley  
Dawson Geophysical Company  
8400 E. Prentice Ave  
Ste 1500  
Green Village CO 80111

RE: Dawson Geophysical Company Permit # 97-0114  
Parshall 3D  
Mountrail County, North Dakota

Dear Mr. Morley:

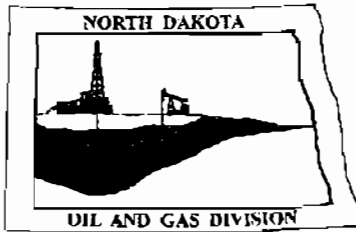
Please be advised that we are in receipt of your Dawson Geophysical Company permit and have conditionally approved your permit effective for one year from July 11, 2006. Please review the following conditions for your permit:

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



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July 11, 2006

The Honorable Karen H. Eliason  
Mountrail County Auditor  
P.O. Box 69  
Stanley, ND 58784

RE: Geophysical Exploration  
Permit # 97-0114

Dear Ms. Eliason:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that Dawson Geophysical Co. was issued the above captioned permit on July 11, 2006 and will remain in effect for a period of one year.

Should you have any questions, please contact our office.

Sincerely,

Kelly Triplet  
Geophysical Permit Manager