

Industrial Commission of North Dakota
Oil & Gas Division
600 East Boulevard, Dept. 405
Bismarck, ND 58505-0840
Attn: Todd Holweger



Re: Cottonwood 3-D Seismic Project

970141

Dear Todd:

Attached is a list of landowners who were sent the required "notice to surface owners" at the beginning of the permitting process for this project. In addition to the required notice I make sure that everyone has the contact information for me and the agents assigned to them. This helps us avoid miscommunication and as many field related problems as possible

Please be assured that I (and all of the agents working with me) consider ourselves as permit agents to be advocates for the landowners in this important process.

Don't hesitate to call me if you need anything.

A handwritten signature in black ink, appearing to read "Jeff Lund".

Jeff Lund
Contract Seismic Permit Agent
for Fidelity Exploration & Production Company



SUNDRY NOTICE

INDUSTRIAL COMMISSION OF NORTH DAKOTA
OIL AND GAS DIVISION
600 EAST BOULEVARD DEPT 405
BISMARCK ND 58505-0840
505/324-2000

PERMIT # 97-0141

Project Name Cottonwood 3-D
County Burke
Supplemental Information This is a request to allow an extension of the existing Cottonwood 3-D to include the following lands in Burke County. T.160n. R.92w: Sec.7 through Sec.36. T.160n. R.93w: Sec.12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35 & 36. Totaling 40.6 square miles 140 source points per mile.

Company Veritas DGC Land, Inc.		
Address 10300 Town Park Drive		
City Houston	State TX	Zip Code 77072
By Jeff Lund	Date December 21, 2007	
Title Permit Agent	Telephone Number 612 501-2164	

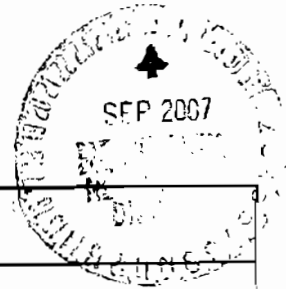
FOR OFFICE USE ONLY

Date Received 12/21/2007
By <i>[Signature]</i>
Title Mineral Resources Permit Manager



GEOPHYSICAL EXPLORATION PERMIT

INDUSTRIAL COMMISSION OF NORTH DAKOTA
OIL AND GAS DIVISION
600 EAST BOULEVARD DEPT 405
BISMARCK, ND 58505-0840
SFN 51459 (08-2007)



1) a. Company Veritas DGC Land Inc.	Address 10300 Town Park Drive, Houston, TX 77072	
Contact Jeff Lund, Permit Agent	Telephone 612 501-2164	Fax
Surety Company U.S. Specialty Insurance Company	Bond Amount \$50,000	Bond Number B000724
2) a Subcontractor(s) <i>(Survey cont.)</i> Peoples Exploration Services	Address PO Box 190 Lot A, LA 70543	Telephone 337-250-5045
b. Subcontractor(s)	Address	Telephone
c. Subcontractor(s)	Address	Telephone
3) Party Manager TBD	Address (local) TBD	Telephone (local) TBD
4) Project Name or Line Numbers Cottonwood 3-D		
5) Exploration Method (Shot Hole, Non-Explosive, 2D, 3D, Other) Vibroseis 3-D		
6) Approximate Start Date October 10, 2007	Approximate Completion Date January 31, 2008	

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

7) Location of Proposed Project - County Burke & Mountrail Counties				
Section(s), Township(s) & Range(s)		Sec	T.	R.
<i>Access See Attached</i>		Sec	T.	R.
		Sec	T.	R.
		Sec	T.	R.
		Sec	T.	R.
8) Size of Hole	Amt of Charge	Depth	Shots per sq. mi.	No. of sq. mi.
3-D na	na	na	na	92
Size of Hole	Amt of Charge	Depth	Shots per ln. mi.	No. of ln. mi.
2-D				
9) Must supply latitude/longitudes of source and receiver points on an SD card.				

10) Anticipated special drilling and plugging procedures?
na

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

Signed <i>[Signature]</i>	Title Permit Agent	Date September 4, 2007
(This space for State office use)		Conditions of Approval if any <i>See Attached letter</i>
Permit No. 970141	Approval Date October 1, 2007	
Approved by <i>[Signature]</i>		
Title Mineral Resources Permit Manager		
County Approval Sent Burke & Mountrail Counties		

Fidelity Exploration & Production Company

Lands within Cottonwood 3-D Seismic Prospect

T.157n. R.92w: Sec. 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15 & 16.

T.158n. R.92w: Sec. 1 through 17, & 19 through 36

T.159n. R.92w: Sec. 3, 4, 5, 6, 8, 9, 10 & 15 through 36.

T.159n. R.93w: Sec. 1 through 5, 8 through 17, 21 through 25 & 36



Oil and Gas Division

Lynn D. Helms - Director Bruce F. Hicks - Assistant Director

Department of Mineral Resources

Lynn D. Helms - Director

North Dakota Industrial Commission

www.oilgas.nd.gov

October 1, 2007

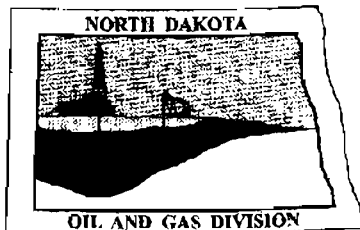
Mr. Jeff Lund
Fidelity E & P Company
P.O. Box 694
Kenmare, ND 58746

RE: Geophysical Exploration Permits # 97-0141
 Cottonwood 3-D
 Burke & Mountrail Counties, North Dakota

Dear Mr. Lund:

Please be advised that we are in receipt of your Geophysical Exploration permit and have conditionally approved your permit effective for one year from October 1, 2007. 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 701-290-1546 (cell) or 701-227-7436 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. All source and receiver points should be made available, on an SD card, 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 of the land on which geophysical exploration activities are to be conducted 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). The permitting agent shall file an affidavit with this office confirming compliance with such notification. For your convenience, a copy of both Sections are enclosed.



Oil and Gas Division

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Department of Mineral Resources

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6. The permit agent shall notify the operator of the land at least seven days before 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.
7. The entire permit can be viewed, as well as the status of various seismic projects in the state, at: <https://www.dnr.nd.gov/oilgas/seismic/seismicstats.asp>

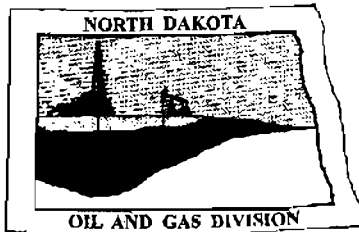
Should you have any questions regarding this matter, feel free to contact me at 701-328-8020, or Tom Torstenson at the number listed in paragraph 1.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd L. Holweger", with a long horizontal flourish extending to the right.

Todd L. Holweger
Mineral Resources Permit Manager

CC: Mr. Jeff Lund
 Vertas DGC Land Inc.
 10300 Town Park Drive
 Houston, TX 77072



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

October 1, 2007

The Honorable Teri Baumann
Burke County Auditor
P.O. Box 310
Bowbells, ND 58721-0310

RE: Geophysical Exploration
 Permit #97-0141

Dear Ms. Baumann:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that Veritas DGC land Inc. was issued the above captioned permit on October 1, 2007 and will remain in effect for a period of one year. The entire permit can be viewed on our website at: <https://www.dmr.nd.gov/oilgas/seismic/seismicstats.asp>

Should you have any questions, please contact our office.

Sincerely,

Todd L. Holwegger
DMR 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

October 1, 2007

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

RE: Geophysical Exploration
 Permit #97-0141

Dear Ms. Eliason:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that Veritas DGC Land Inc. was issued the above captioned permit on October 1, 2007 and will remain in effect for a period of one year. The entire permit can be viewed on our website at: <https://www.dmr.nd.gov/oilgas/seismic/seismicstats.asp>

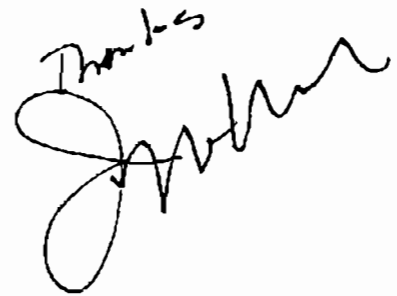
Should you have any questions, please contact our office.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd L. Holweger", with a long horizontal line extending to the right.

Todd L. Holweger
DMR Permit manager

Please send
permit to our
field address in
Kenmare.

Thanks


Fidelity E & P Company
P.O. Box 694
Kenmare ND

58746

Fidelity E & P Company
P.O. Box 694
Kenmare ND

58746

Holweger, Todd L.

From: Jeff Lund [axislund@hotmail.com]
Sent: Friday, September 28, 2007 5:00 PM
To: Holweger, Todd L.
Subject: RE: Vertas Cottonwood 3-D permit

Todd:

Here is the information for:

Peoples Exploration Services
P.O. Box 190
Lota LA 70543

337-250-5045

Jeff

Jeff Lund

From: Holweger, Todd L. [mailto:tholweger@nd.gov]
Sent: Friday, September 28, 2007 2:18 PM
To: axislund@hotmail.com
Subject: RE: Vertas Cottonwood 3-D permit

What is their telephone number and address?
Thanks,

Todd L. Holweger
Mineral Resources Permit Manager
NDIC, DMR, Oil and Gas Div.
(701) 328-8024
<https://www.dmr.nd.gov/oilgas/>

From: Jeff Lund [mailto:axislund@hotmail.com]
Sent: Friday, September 28, 2007 12:35 PM
To: Holweger, Todd L.
Subject: RE: Vertas Cottonwood 3-D permit

Hello Todd:

The survey contractor on the Fidelity Cottonwood 3-d will be Peoples Exploration Services

Please let me know what additional information is required from them.

Thanks,

9/28/2007

COTTONWOOD 3D - FEPC

159N 93W

159N 92W

158N 93W

158N 92W

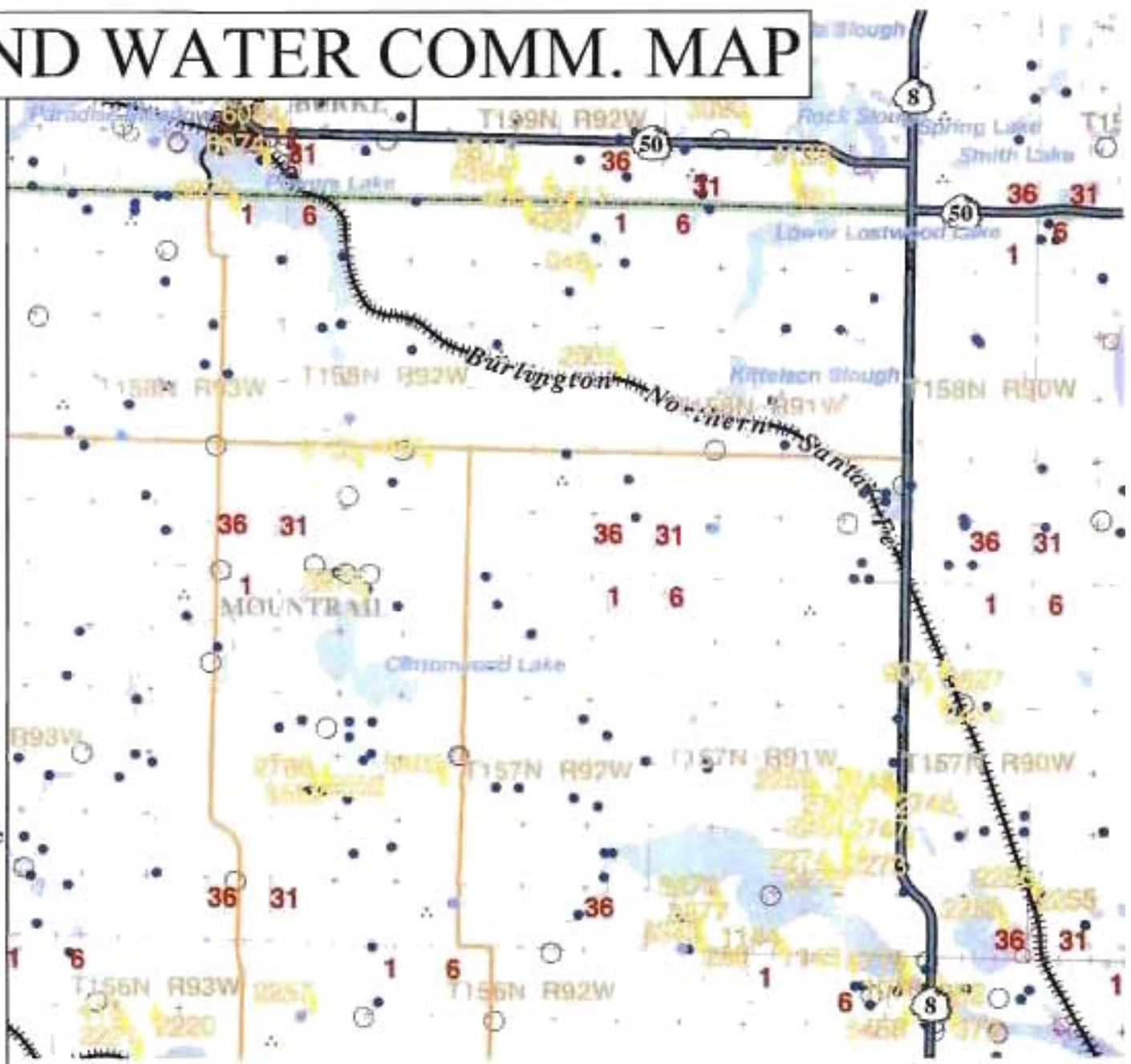
157N 93W

157N 92W



ND WATER COMM. MAP

- 50-500 gpm Yield
- Over 500 gpm Yield
- Precipitation Observers
- Driller Logs
- Domestic Well
- Domestic Well - Plugged
- Industrial Well
- Industrial Well - Plugged
- Irrigation Well
- Irrigation Well - Plugged
- Multi-Well Sample
- Municipal Well
- Municipal Well - Plugged
- Observation Well
- Observation Well - Destroyed
- Observation Well - Plugged
- Observation Well - Recorder
- Production Well
- Production Well - Plugged
- Rural Water Well
- Stock Well
- Stock Well - Plugged
- Surface Water Monitoring Site
- Test Hole
- Test Well
- Unknown
- Dams
- Drains
- Dikes
- Diversion Structures
- Dugouts
- Dams



ND WATER COMM. MAP

- 50-500 gpm Yield
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- Test Well
- ? Unknown
- Dams
- Drains
- Dikes
- Diversion Structures
- Dugouts
- Dams
- Corporate limits
- + Section Corners
- ~ Townships
- M County Boundaries
- Lakes or Ponds
- River or Stream
- Marsh or Wetlands
- Lakes or Ponds
- Marsh or Wetlands

