



GEOPHYSICAL EXPLORATION COMPLETION REPORT - FORM GE 6A

INDUSTRIAL COMMISSION OF NORTH DAKOTA

OIL AND GAS DIVISION

600 EAST BOULEVARD DEPT 405

BISMARCK, ND 58505-0840

SFN 51456 (03-2011)

| | |
|-----------------------------|---|
| Permit No. 970155 | |
| Shot Hole Operations | *Non-Explosive Operations 3-D Vibroseis |

SECTION 1

| | |
|--|--|
| Geophysical Contractor Geokinetics USA Ic. | |
| Project Name and Number Halvorson 3-D | County(s) Mountrail |
| Township(s) 157 | Range(s) 89,90 |
| Drilling and Plugging Contractors N/A | |
| Date Commenced August 19, 2008 | Date Completed August 30, 2008 |

SECTION 2

| | |
|--|-------------|
| First S.P. # | Last S.P. # |
| Loaded Holes (Undetonated Shot Points) | |
| S.P.#s | |
| Charge Size | |
| Depth | |
| Reasons Holes Were Not Shot | |

SECTION 3

| |
|---|
| Flowing Holes and/or Blowouts S.P.#s |
| Procedure for Plugging Flowing Holes and/or Blowouts |
| 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 (Form GE 6B).



GEOPHYSICAL EXPLORATION AFFIDAVIT OF COMPLETION REPORT - FORM GE 6B

INDUSTRIAL COMMISSION OF NORTH DAKOTA

OIL AND GAS DIVISION

600 EAST BOULEVARD DEPT 405

BISMARCK, ND 58505-0840

SFN 51456 (03-2011)

PERMIT NAME (Required): Halvorson 3-D

PERMIT NUMBER: 970155

AFFIDAVIT OF COMPLETION (GEOPHYSICAL CONTRACTOR)

STATE OF MONTANA)

COUNTY OF HILL)

Before me, JENA HANSON, a Notary Public in and for the said

County and State, this day personally appeared Rickie Scheetz

who being first duly sworn, deposes and says that (s)he is employed by _____

Geokinetics USA Inc., that (s)he has read North Dakota

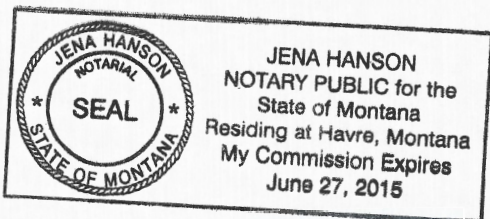
Century Code Section 38-08.1, that the foregoing seismic project has been completed in

accordance with North Dakota Administrative Code Rule 43-02-12 and that the statements on

the reverse side of this document are true.

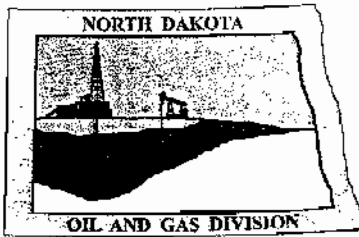
[Signature]
Geophysical Contractor Representative

Subscribed in my presence and sworn before me this 20th day of May, 15.



Notary Public Jena Hanson

My Commission Expires 6/27/15



Oil and Gas Division 970153

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

Department of Mineral Resources

Lynn D. Helms - Director

North Dakota Industrial Commission

www.dmr.nd.gov/oilgas

12/4/2008

JOHN VANCE
GEOKINETICS USA, INC.
1500 CITYWEST BLVD.
HOUSTON, TX 77042

RE: See Attached List of Projects

Dear John:

According to our records, our office has not received a Completion Report or Affidavit of Completion for the attached list of projects. These reports are due thirty days after the completion of the project.

Furthermore, we require 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 report, affidavit, and letter at your earliest convenience.

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

Sincerely,

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

Richard A. Suggs
Engineering Technician

List of Projects Missing a Completion Report, Affidavit of Completion, and Letter
Confirming Surface Owner notification for
GEOKINETICS USA, INC.

HALVORSON 3-D
MOUNTRAIL COUNTY
PERMIT NO. 970155 COMPLETION DATE: 8/30/2008

SHELL LAKE 3-D
MOUNTRAIL COUNTY
PERMIT NO. 970149 COMPLETION DATE: 3/29/2008



GEOPHYSICAL EXPLORATION PERMIT

INDUSTRIAL COMMISSION OF NORTH DAKOTA
 OIL AND GAS DIVISION
 600 EAST BOULEVARD DEPT 405
 BISMARCK, ND 58505-0840
 SFN 51459 (02-2008)



| | | | |
|---|----------------------------------|--|--|
| 1) a. Company Geokinetics USA, Inc. | | Address 1500 City West, Suite 800, Houston, TX 77042 | |
| Contact Trevor Krauss | Telephone 432 699-3225 | Fax 432 699-4221 | |
| Surety Company U.S. Specialty Insurance Co. | Bond Amount \$50,000 | Bond Number B004059 | |
| 2) a Subcontractor(s) Ericson Contract Surveying | | Address 111 5th SW, Sidney, MT 59270 | Telephone 406 482-6606 |
| b Subcontractor(s) | | Address | Telephone |
| c. Subcontractor(s) | | Address | Telephone |
| 3) Party Manager Raul Arredondo | | Address (local) | Telephone (local) 713 252-8919 |
| 4) Project Name or Line Numbers Halvorson 3-D | | | |
| 5) Exploration Method (Shot Hole, Non Explosive, 2D, 3D, Other) 3-D Vibroseis | | | |
| 6) Approximate Start Date March 14, 2008 | | Approximate Completion Date April 15, 2008 | |

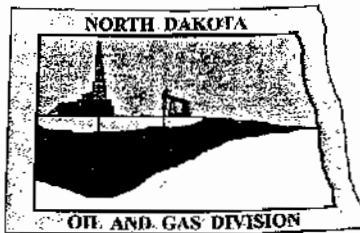
THE COMMISSION MUST BE NOTIFIED AT LEAST 24 HOURS IN ADVANCE OF COMMENCEMENT OF DRILL/PLUG OPERATIONS

| | | | | | |
|--|--|-------|---|----------------------------|--|
| 7) Location of Proposed Project - County Mountrail | | | | | |
| Section(s), Township(s) & Range(s) | Section 7, 18 & 19 | T. | 157 | R. | 89 |
| | Section 10, 11, 12, 13, 14, 15 | T. | 157 | R. | 90 |
| | Section 22, 23 & 24 | T. | 157 | R. | 90 |
| | Section | T. | | R. | |
| 8) Size of Hole 3-D | Amt of Charge | Depth | Source points per sq. mi. 120 | No. of sq. mi. 9 | 9) Must supply latitudes and longitudes of post-plot source and receiver points on an SD card. |
| Size of Hole 2-D | Amt of Charge | Depth | Source points per in. mi. | No. of In mi. | |

10) Anticipated special drilling and plugging procedures?

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

| | | |
|--|--|---|
| Signed | Title Jeff Lund-Permit Agent | Date March 10, 2008 |
| (This space for State office use) | | Conditions of Approval if any <i>See Attached letter</i> |
| Permit No. 970155 | Approval Date 3/12/2008 | |
| Approved by | | |
| Title Mineral Resources Permit Manager | | |
| County Approval Sent Mountrail | | |



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.dmr.nd.gov/oilgas

March 12, 2008

Mr. Trevor Krauss
Geokinetics USA, Inc
1500 CityWest Blvd.
Suite 800
Houston, TX 77042

RE: Halvorson 3-D
 Geophysical Exploration Permit #97-0155
 Mountrail County

Dear Mr. Krauss:

Please be advised that we are in receipt of your Geophysical Exploration permit and it is conditionally approved; effective for one year from March 12, 2008. 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 following information must be submitted within 30 days of the completion of the project by the Geophysical Company:
 - a. Completion Report,
 - b. Completion Affidavit,
 - c. Post Plot Map. It 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.
 - d. SD card with all source and receiver points,
 - e. Letter stating that the Geophysical Company has given all surface owner's a copy of the Section and Chapter of the NDCC as stated in paragraph 5.
4. The following information must be submitted within 30 days of the completion of the project by the SUBCONTRACTOR(s) (when applicable):
 - a. Plugging Report
 - b. Plugging Affidavit

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.
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. Information for the locations of water wells, springs, etc.; refer to the following ND State Water Commission Mapservice website, at:
<http://mapservice.swc.state.nd.us/>
8. The entire permit can be viewed, as well as the status of various seismic projects in the state, at: <https://www.dmr.nd.gov/oilgas/seismic/seismistats.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,



Todd L. Holweger
Mineral Resources Permit Manager

Oil and Gas Division

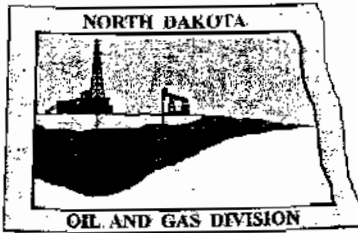
Lynn D. Helms - Director Bruce E. Hicks - Assistant Director

Department of Mineral Resources

Lynn D. Helms - Director

North Dakota Industrial Commission

www.dmr.nd.gov/oilgas



March 12, 2008

The Honorable Joan Hollekim
Mountrail County Auditor
P.O. Box 69
Stanley, ND 58784

RE: Geophysical Exploration
 Permit #97-0155

Dear Ms. Hollekim:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that Geokinetics USA, Inc. was issued the above captioned permit on March 12, 2008 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>

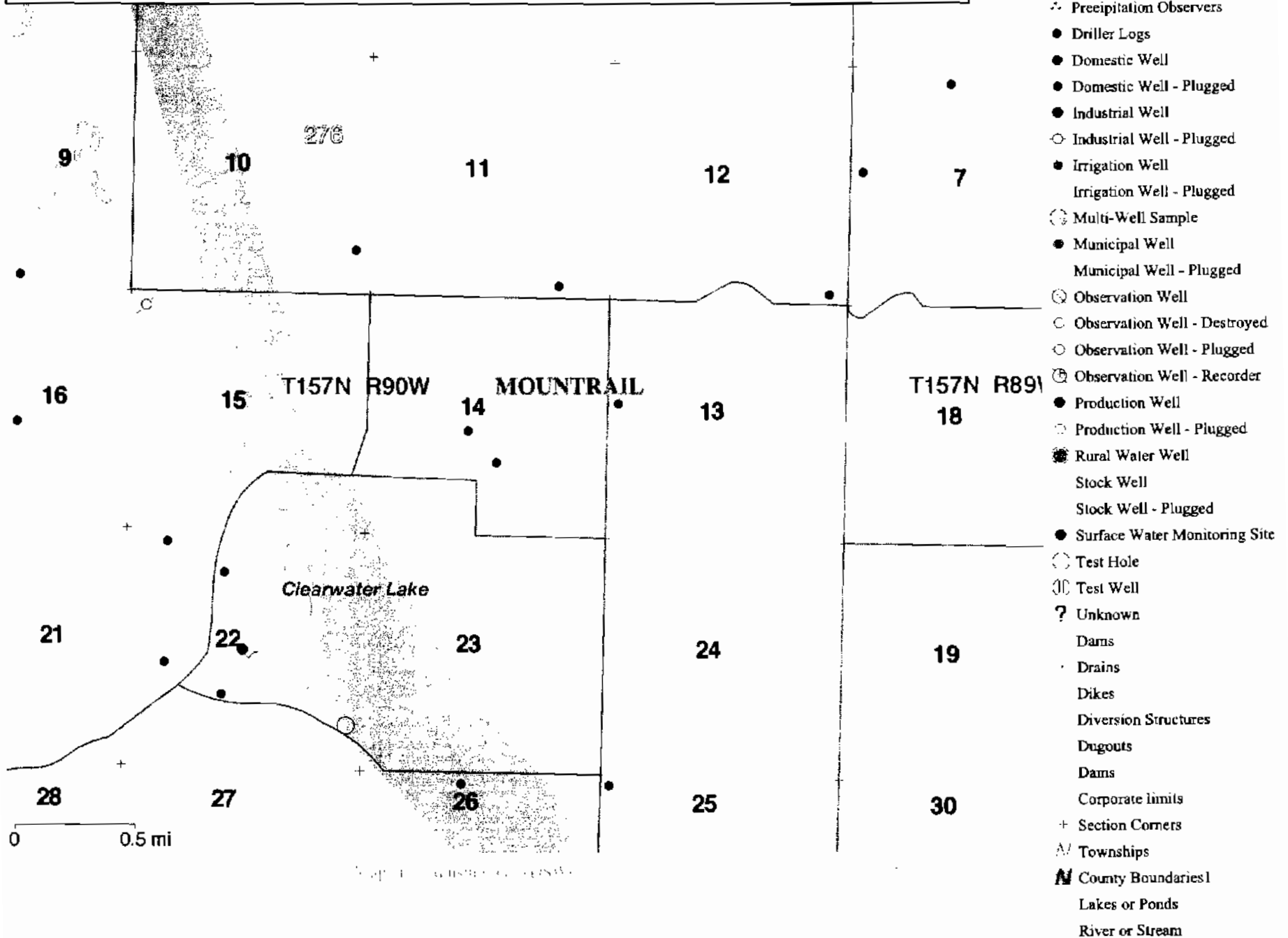
Should you have any questions, please contact our office.

Sincerely,

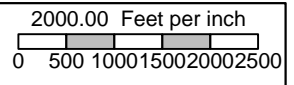
A handwritten signature in black ink, appearing to read "Todd L. Holweger", followed by a long horizontal line extending to the right.

Todd L. Holweger
DMR Permit manager

ND STATE WATER COMMISSION MAP



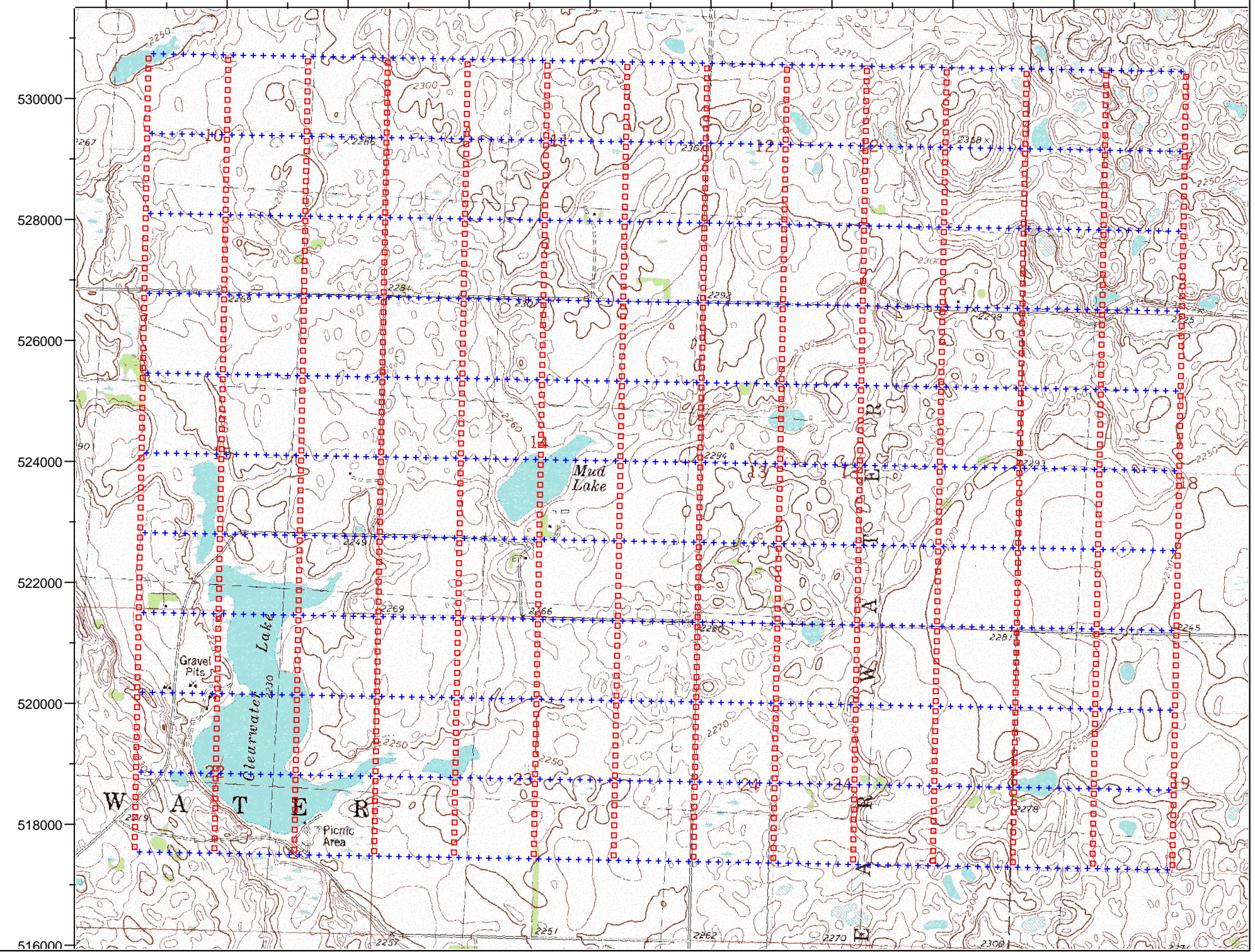
Halvorson 3D



X COORD

1564000 1566000 1568000 1570000 1572000 1574000 1576000 1578000 1580000 1582000

Y COORD



530000
528000
526000
524000
522000
520000
518000
516000