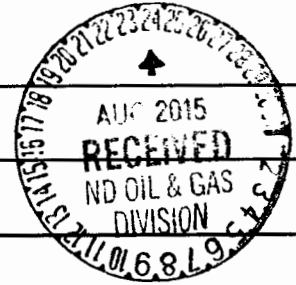




GEOPHYSICAL EXPLORATION SUNDRY NOTICE - FORM GE 4

INDUSTRIAL COMMISSION OF NORTH DAKOTA
OIL AND GAS DIVISION
600 EAST BOULEVARD DEPT 405
BISMARCK, ND 58505-0840
SFN 51458 (03-2011)

PERMIT # 97-0262



Project Name Coyote Creek 3D
County Bowman
Supplemental Information Paragon Geophysical Services, Inc is cancelling the Coyote Creek 3D project, #97-0262.

Company Paragon Geophysical Services, Inc		Telephone Number (316) 285-4125	
Address 3500 N Rock Rd, Bldg 800, Suite B			
City Wichita	State KS	Zip Code 67726	
Signature 	Printed Name Kirsten Anderson		
Title Permit Manager	Date August 21, 2015		
Email Address kirsten.a@allstatepermit.com			

FOR STATE USE ONLY	
<input type="checkbox"/> Received	<input checked="" type="checkbox"/> Approved
Date 8/24/15	
By 	
Title 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/

July 13, 2015

Jeremiah Newkirk
Paragon Geophysical Services, Inc.
3500 N. Rock Road
Bldg 800 Suite B
Wichita, KS 67226

RE: COYOTE CREEK 3-D
GEOPHYSICAL EXPLORATION PERMIT #97-0262
BOWMAN COUNTY
NON EXPLOSIVE METHOD

Dear Mr. Newkirk:

Please be advised that we are in receipt of your Geophysical Exploration permit application and it is conditionally approved; effective for one year from July 13 2015. **PURSUANT TO NDAC 43-02-12-05 (DISTANCE RESTRICTION) non-explosive exploration method may not be conducted not less than 300 feet from a water well, building, underground cistern, pipelines, and flowing spring. In addition, pursuant to NDAC 43-02-12-06 (NOTIFICATION OF WORK PERFORMED), "The director is authorized to suspend operations of the entire geophysical project, or any portion thereof, if further activity will cause excessive damage to the surface of the land".** Review the following conditions for your permit:

1. A pre-program meeting with state seismic inspector Tom Torstenson is required. You must contact him at 701-290-1546 (cell) or 701-227-7436 at least 24 hours prior to any exploration operations. Also, a copy of the entire permit is required for all contractors at the pre-program meeting.
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. An Image file (.img) on a Flash Drive or email: ttorstenson@nd.gov 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. 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.
 5. 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.
 6. Information regarding the location of water wells, springs, etc.; refer to the following ND State Water Commission Mapservice website, at: <http://mapservice.swc.state.nd.us/>
 7. 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/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,



Todd L. Holweger
DMR Permit Manager



GEOPHYSICAL EXPLORATION PERMIT - FORM GE 1

INDUSTRIAL COMMISSION OF NORTH DAKOTA
 OIL AND GAS DIVISION
 600 EAST BOULEVARD DEPT 405
 BISMARCK, ND 58505-0840
 SFN 51459 (03-2011)



1) a. Company Paragon Geophysical Services, Inc.		Address 3500 N Rock Road, Bldg 800 Suite B, Wichita, KS 67228			
Contact Jeremiah Newkirk		Telephone (316) 285-4125		Fax (316) 636-5572	
Surety Company RLI Insurance		Bond Amount 50,000		Bond Number RLB0014148	
2) a. Subcontractor(s) Geophysical Navigation Services, LP		Address PO Box 670309 Dallas, TX 75367		Telephone (214) 812-9033	
b. Subcontractor(s)		Address		Telephone	
3) Party Manager		Address (local)		Telephone (local)	
4) Project Name or Line Numbers Coyote Creek 3D					
5) Exploration Method (Shot Hole, Non-Explosive, 2D, 3D, Other) 3D Vibroseis					
6) Distance Restrictions (Must check all that apply)					
<input checked="" type="checkbox"/> 300 feet - NonExplosive - Distance setbacks apply to water wells, buildings, underground cisterns, pipelines, and flowing springs.					
<input type="checkbox"/> 660 feet - Shot Hole - Distance setbacks apply to water wells, buildings, underground cisterns, pipelines, and flowing springs.					
7) Size of Hole	Amt of Charge	Depth	Source points per sq. mi.	No. of sq. mi.	
3-D			96	5.0	
Size of Hole	Amt of Charge	Depth	Source points per ln. mi.	No. of ln. mi.	
2-D					
8) Approximate Start Date July 15, 2015			Approximate Completion Date July 31, 2015		

THE COMMISSION MUST BE NOTIFIED AT LEAST 24 HOURS IN ADVANCE OF COMMENCEMENT OF GEOPHYSICAL OPERATIONS

9) Location of Proposed Project - County					
Section(s), Township(s) & Range(s)	Section	T.	R.		
	21,22,27,28,29,32,33,34,35	131N	104W		
	Section	T.	R.		
	3,4	130N	104W		
	Section	T.	R.		
	Section	T.	R.		

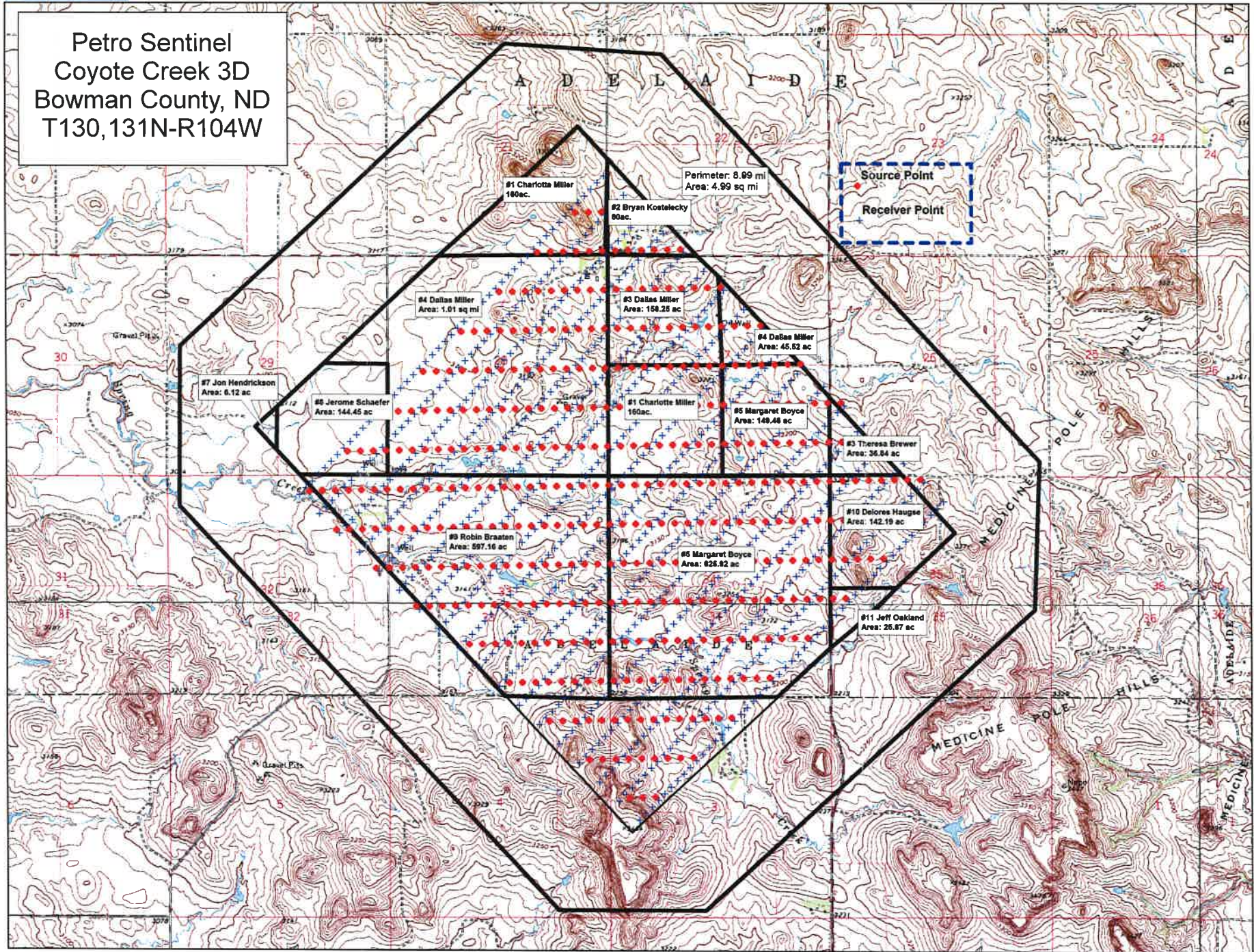
I hereby swear or affirm that the information provided is true, complete and correct as determined from all available records.			Date June 19, 2015
Signature 	Printed Name Jeremiah Newkirk	Title Land Manager	
Email Address(es) jnewkirk@paragongeo.com			

(This space for State office use)	
Permit No. 97-0262	Approval Date 7/13/15
Approved by 	
Title Mineral Resources Permit Manager	

Permit Conditions

- * Permit in hand required at pre-program meeting with field inspector and be aware of all NDIC Rules and Regulations (i.e. distance restrictions).
- * See attached letter.

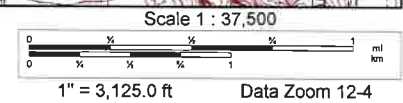
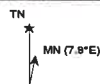
Petro Sentinel
Coyote Creek 3D
Bowman County, ND
T130,131N-R104W



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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/

JULY 13, 2015

The Honorable Sandi Tivis
County Auditor
104 1st St. NW
Suite #1
Bowman, ND 58623

RE: Geophysical Exploration
Permit # 97-0262

Dear Ms. Tivis:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that PARAGON GEOPHYSICAL SERVICES, INC. was issued the above captioned permit on JULY 13, 2015 and will remain in effect for a period of one year.

Should you have any questions, please contact our office.

Sincerely,

Todd L. Holweger

Mineral Resources Permit Manager



North Dakota Industrial Commission Department of Mineral Resources Oil & Gas Division



FORM GE 1

FILING AUTHORIZATION

COMPANY NAME: Paragon Geophysical Services, Inc.

ADDRESS: 3500 N Rock Road Bld 800 Ste B

CITY: Wichita STATE: KS ZIP: 67226

This form authorizes the person(s) listed below to submit a NDIC Geophysical Exploration Permit – Form GE 1 for approval on behalf of the designated company as listed above.

A new authorization will be required if any changes are to be made to the authorized individuals on the form.

The data submitted from the authorized individuals listed below have been checked and conform to the standards and procedures set forth by the NDIC Department of Mineral Resources.


The authorized individual(s) will ensure that the company, as listed above, and party manager receive a copy of the approved Form GE 1

<u>Authorized Individuals</u>	<u>E-Mail Address</u>	<u>Phone Number</u>
Jeremiah Newkirk	jnewkirk@paragongeo.cc	316-285-4125
Andrew Franke	frankeenergyllc@gmail.c	405-824-1861

Company Authorized Signature:  Date: 6/19/15

Printed Name: Jeff Logan Title: Vice President Operations

Phone: 316-636-5552 Email Address: jeff@paragongeo.com

Witness Signature:  Date: 6/19/15

Witness Printed Name: Jeremiah Newkirk