

STATE OF NORTH DAKOTA) COUNTY OF MERCER . AFFIDAVIT OF JEFFREY L. SKAARE

Your Affiant, Jeffrey L. Skaare, being first duly sworn, deposes and states under oath as follows:

- 1. That my name is Jeffrey L. Skaare and I reside at 303 5th Ave. NW, Hazen, ND, 58545; and
- 2. That I am a familiar with ND Geophysical Exploration Permit 97-0271; and
- 3. That pursuant to the above referenced permit, I caused a title review of the surface owners within ½ mile of Township 139 North, Range 95 West, Section 22, South-Half to be completed; and
- 4. That I enclosed a cover letter and a copy of NDCC Section 38-08.1-04.1 (Exploration Permit) and NDCC Chapter 38-11.1 (Oil and Gas Production Damage Compensation) to each of the landowners and deposited the same into the U.S. Mail to the address listed in the Stark County tax assessor's office for the subject parcels.

FURTHER YOUR AFFIANT SAYETH NOT.

Dated this 19th day of September, 2016.

Jeffréy L. Skaare

Subscribed and sworn to before me this 19 day of September, 2016

(SEAL)

MARSHA SWANSON Notary Public State of North Dakota My Commission Expires Sept. 07, 2018 Votary Public

Mercer County, North Dakota
My commission expires: 9-7-18



GEOPHYSICAL EXPLORATION HOLE PLUGGING REPORT - FORM GE 7A INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION RECEIVED

INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 51457 (03-2011)

SEP 20 2016

ND Oil & Gas Division

| Geophysical Company | Date Plugged |
|-------------------------------|-----------------|
| Great Plains Energy, Inc. | August 20, 2016 |
| Hole Plugging Contractor | Permit No. |
| Great Plains Energy, Inc. | 97-0271 |
| Prospect | Hole Plugger |
| Seismoelectric Pilot Test 2-D | Dan Blankenau |

| | Line No. | S.P. No. | Hole Depth | Drill Type *CABP | Wet/ Dry | Bent. Sx | Bent. Capsules | Capsule Size** | Surface Plug Depth | Remarks Hole Bridged, Thick Mud, Etc. |
|----|----------|-------------|---------------|---------------------|-------------|-------------|-------------------|-------------------|-----------------------|---|
| 1 | 1 | 1 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 2 | | 2 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 3 | | 3 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 4 | | 4 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 5 | | 5 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 6 | | 6 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 7 | | 7 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 8 | | 8 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 9 | | 9 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 10 | | 10 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 11 | : | 11 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 12 | | 12 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 13 | | 13 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 14 | | 14 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 15 | | 15 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 16 | | 16 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 17 | | 17 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 18 | | 18 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 19 | | 19 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |
| 20 | | 20 | 32" | Auger | DRY | .125 | Chip | 3/8" | 0 | |

GEOPHYSICAL EXPLORATION AFFIDAVIT OF PLUGGING (HOLE PLUGGER) - FORM GE 7B INDUSTRIAL COMMISSION OF NORTH DAKOTA

Received
SEP 2 0 2016
ND Oil & Gas Division

INDUSTRIAL COMMISSION OF NORTH DAKO OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 51457 (03-2011)

| | PERMIT NAME (Requi | red): | Seismoelectric Pilot Test 2-D |
|-----------------|---|--------------------|--|
| | PERMIT NUME | BER:9 | 7-0271 |
| | AFFIDAVIT OF PLUG | GING (HOLE | PLUGGER) |
| STATE OF | Nebraska) | | |
| COUNTY OF | Lancaster) | | |
| Before me, | Haul J. Soulup te, this day personally appeared | | a Notary Public in and for the said Daniel F. Blankenau |
| who being f | irst duly sworn, deposes and | says that | (s)he is employed by |
| | Great Plains Energy, Inc. | _ | , that (s)he has read North Dakota |
| Century Code | Section 38-08.1 and that the foreg | oing seismic | project has been plugged in |
| accordance wit | th North Dakota Administrative Code | e Rule 43-02 | -12 and that the statements on |
| the attached | documents are true. | | |
| | | All Hole Plugger R | - Bleed annexantative |
| | · | iole Flugger K | epresentative |
| Subscribed in n | ny presence and sworn before me this | 19th | day of <u>September</u> , <u>2016</u> |
| 建 | NOTARY - State of Nabraska PAUL J. SOUKUP y Comm. Exp. October 21, 2019 | Notary Public | As. do |
| My Commission | n Expires 10 21 19 | | |



GEOPHYSICAL EXPLORATION COMPLETION REPORT - FORM GE 6 Received

INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 51456 (03-2011)

SEP 20 2016

MD Oil & Gas Division

| Permit No. | | | | | | | | | | | | |
|---|------------------|------------|-------------|-------------|---------------------------|-----------------|-----------------|-------------|----------------|------------|----|---|
| 97-0271 | | | | | *Non-Explosive Operations | | | | | | | |
| Shot Hole Operations Great Plains Energy, Inc. | | | | | N/A | Sive Operand | ль | | | | | |
| | J 21101 37, | | | | | IWA | | | | | | |
| SECTION 1 | | | | | | | | | | | | |
| Geophysical Con | | _ | | | | | | | | | | |
| Project Name an | s Energy, Inc | <i>.</i> | | | | County(s) | | | | | | |
| | tric Pilot Tes | st 2-D | | | | Stark | | | | | | |
| Township(s) | | | | | | Range(s) | | | | | | |
| 139 No | rth | | | | | | Vest | | | | | |
| Drilling and Pluge | ging Contractors | | | | | | | | | | | |
| Gear Plains | Energy, Inc | • | | | | | | | | | | |
| Date Commence | | | | | | Date Comp | | | | | | |
| August 20, | 2016 | | | | | August | 20, 2016 | | | | | |
| SECTION 2 | | | | | | | | | | | | |
| First S.P. # | | | | | | Last S.P. # | | | | | | |
| 1 | | | | | | 20 | | | | | | |
| Loaded Holes (U | ndetonated Shot | Points) | | | | | | | | | | |
| 0 | | | 1 | | | т | Т | Г | | т | Г | |
| S.P.#'s | 20 | | | | | | | | | | | |
| Charge Size | 18 grm | | | | | | | | | | | |
| Depth | 32" | | | | | | | | | | | |
| Reasons Holes V | Vere Not Shot | | | | | | | | | I | | L |
| All holes we | ere shot. | | | | | | | | | | | |
| SECTION 3 | | | | | | | | | | | | |
| Flowing Holes ar | id/or Blowouts | | | | | | | | | | | |
| 1 | S.P.#'s | | | | | | | | | | | |
| N/A | | | | | | | | | | | | |
| Procedure for Plu | agging Flowing H | oles and/o | or Blowouts | | | | | | | | | |
| All holes we | re filled with | benton | ite. | | | | | | | | | |
| Include a 7.5 min | | | | p or a comp | puter generate | ed post-plot fa | acsimile of the | e approxima | te scale displ | laying eac | :h | |

^{*}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

INDUSTRIAL COMMISSION OF NORTH OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 51456 (03-2011)

SEP 20 2016

ND Oil & Gas Division

| PERMIT NAME (Required) | : Seismoelectric Pilot Study 2-D |
|---|--|
| PERMIT NUMBER | t: |
| AFFIDAVIT OF COMPLETION (GE | EOPHYSICAL CONTRACTOR) |
| STATE OF Nebraska) | |
| COUNTY OF Lancaster) | |
| Before me, Paul J. Source County and State, this day personally appeared | , a Notary Public in and for the said Daniel F. Blankenau |
| who being first duly sworn, deposes and says that (s)he is | is employed by Great Plains |
| Energy, Inc. | , that (s)he has read North Dakota |
| Century Code Section 38-08.1, that the foregoing se | |
| accordance with North Dakota Administrative Code R | Rule 43-02-12 and that the statements on |
| the reverse side of this document are true. | |
| George | physical Contractor Representative |
| Subscribed in my presence and sworn before me this | 19th day of September, 2010. |
| GENERAL NOTARY - State of Neturasika PAUL J. SOUKUP My Comm. Exp. October 21, 2019 Nota | ary Public AD |
| My Commission Expires 10/21/2019 | |

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)

Received PERMIT# 97-0271

SEP 20 2016

| ND Oil & Gas Division |
|--|
| Project Name Seismoelectric Pilot Test 2-D |
| County Stark |
| Supplemental Information |
| Due to better than expected surface and weather conditions aquisition went much better than anticipated. Consequently Great Plains Energy, Inc. requested permission from NDIC Field Inspector permission to conduct 20 shot points rather than the 8 planned. Verbal approval was granted with the instruction to submit FORM GE 4 and plug the additional shot points with bentonite. |
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| |
| |
| |
| |

| Great Plains Energy, Inc | | | (402) 443-6125 |
|--|-----------------------|----------------------------|--------------------------|
| Address 6121 South 58th St., Ste. B | | | |
| City Lincolp 7 | | State NE | Zip Code 68516 |
| Signature All | Printed Nan Daniel F | ^{ne} . Blanken | au |
| Titlé President | Date Septem | ber 19, 20 | 16 |
| Email Address dan@greatplainsenergyinc.com | | | |

| FOR STATE USE ONLY | | | | | |
|----------------------------------|----------|--|--|--|--|
| Received | Approved | | | | |
| Date 9/20/2 | 2016 | | | | |
| Ву | ede | | | | |
| 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

August 18, 2016

Mr. Daniel F. Blankenau President Great Plains Energy, Inc. 6121 South 58th, Ste. "B" Lincoln, NE 68516

RE: SEISMOELECTRIC PILOT TEST 2-D

GEOPHYSICAL EXPLORATION PERMIT #97-0271

STARK COUNTY EXPLOSIVE METHOD

Dear Mr. Blankenau:

Please be advised that we are in receipt of your Geophysical Exploration permit application and it is conditionally approved; effective for one year from August 18, 2016. PURSUANT TO NDAC 43-02-12-05 (DISTANCE RESTRICTION) explosive exploration method may not be conducted not less than 660 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. Provide a GIS layer using NAD83 in an Esri shape file format (if available) and an Image file (.img) on a Flash Drive or email: ttorstenson@nd.gov with all source and receiver points,
- e. Affidavit 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 4.
- 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

Received

Mary Annual Property of the Control of the Control

Email Address(es)

GEOPHYSICAL EXPLORATION PERMIT - FORM GE 1

INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840

AUG 18 2016

SFN 51459 (03-2011) ND Oil & Gas 1) a. Company Address 6121 south 58th St., Ste. "B", Lincoln NE 68516 Great Plains Energy, Inc. Contact (402) 904-4092 (402) 904-4092 Dan Blankenau Bond Number Surety Company **Bond Amount** Lexon Insurance Company \$5000.00 1116842 Telephone 2) a. Subcontractor(s) Address 5700 100 St. SW Lakewood WA 98499 (800) 215-3350 Petrolocate (Trainer) Telephone b. Subcontractor(s) Address Telephone (local) 3) Party Manager Address (local) (402) 443-6125 Dan Blankenau N/A 4) Project Name or Line Numbers Seismoelectric Pilot Test 2-D 5) Exploration Method (Shot Hole, Non-Explosive, 2D, 3D, Other) Seismoelectric w/ shallow shot holes. 6) Distance Restrictions (Must check all that apply) 300 feet - NonExplosive - Distance setbacks apply to water wells, buildings, underground cisterns, pipelines, and flowing springs 🖊 660 feet - Shot Hole - Distance setbacks apply to water wells, buildings, underground cisterns, pipelines, and flowing springs. 7) Size of Hole No. of sq. mi. Amt of Charge Depth Source points per sq. mi. 3-D Source points per In. mi. No. of In. mi. Size of Hole Amt of Charge Depth 1 1/4" 18 grams 32" 8 2-D Approximate Completion Date 8) Approximate Start Date August 20, 2016 August 20, 2016 THE COMMISSION MUST BE NOTIFIED AT LEAST 24 HOURS IN ADVANCE OF COMMENCEMENT OF GEOPHYSICAL OPERATIONS 9) Location of Proposed Project - County Stark County lR Section 95W 139N 22 R Section Τ. Section Section(s), Township(s) R Section & Range(s) Section Section Date I hereby swear or affirm that the information provided is true, complete and correct as determined from all available records. August 17, 2016 Title Signature Printed Name Daniel F. Blankenau President

| dan@greatplains | senergyinc.com | | |
|-----------------|---------------------|----------------------|---|
| | | | Permit Conditions |
| | (This space for Sta | ite office use) | Permit in hand required at pre-program meeting |
| Permit No. | 97-0271 | Approval Date /18/16 | with field inspector and be aware of all NDIC Rules and Regulations (i.e. distance restrictions). |
| Approved by | Ofe (the | oegen | * See attached letter. |
| Title Mine | eral Resources Pen | Ulf 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

August 18, 2016

The Honorable Kay Haag STARK County Auditor P.O. BOX 130 DICKINSON, ND 58602-0130

RE:

Geophysical Exploration

Permit #97-0271

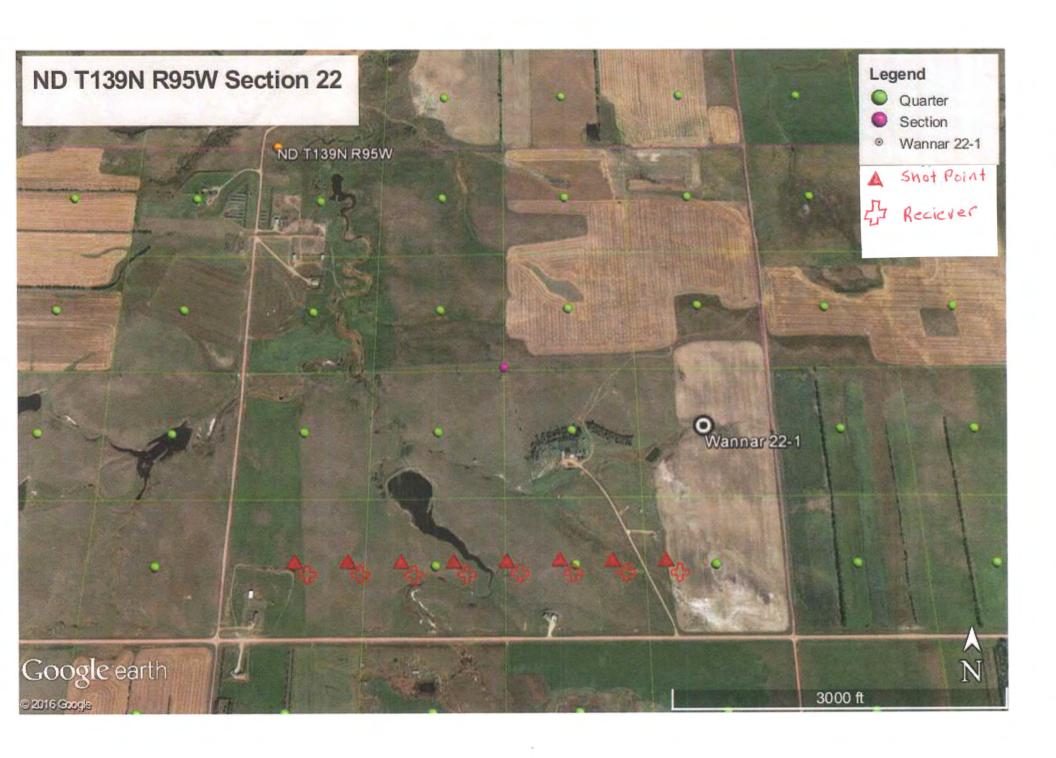
Dear Ms. Haag:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that Great Plains Energy, Inc. was issued the above captioned permit on August 18, 2016 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,

DMR Permit manager







Extended Exploration Depth Coming In 2016. 50% Deeper Reach

PL14

Oil and Gas Exploration Technology for the 21st Century

Much of the information provided on the following pages can also be found at www.petrolocate.com or www.aqualocate.com

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INTRODUCTION

In today's world there is a universal need for oil and gas to provide fuel and lubricants to our vehicles and power generation equipment as well as support the demand for plastics an other materials made from oil byproducts. Until now only big companies could afford modern exploration technology. Unfortunately, even most of the current technology wasn't capable of directly detecting the precious oil and gas reserves so many are seeking. Additionally, the deployment of much of the current technology used for oil and gas exploration is either not possible due to the size of the area needed for testing or the prohibitive costs associated with the deployment of those technologies.

Historically, the only effective way to find oil and gas supplies has been by very expensive rock structure exploration techniques like seismic testing and drilling. If the oil play or gas reserve is deep then a very large piece of property would need to be available to complete seismic testing. Drilling is an effective but very costly exploration method. The modern oil industry grew in the early twentieth century when drilling was replaced by seismic as the principal exploration method. Seismic reduced exploration costs tenfold and oil exploration and development companies rapidly grew richer. It is time for the oil exploration and development companies to take the next step by using the PetroLocate PL14 seismoelectric oil and gas exploration technology. Seismoelectric testing can be accomplished on relatively small oil/gas leases. Mostly Helmholtz and Clark Maxwell worked out the science in the nineteenth and early twentieth century. Seismoelectric signals were observed during experiments conducted during the fifties through the eighties and largely with oil industry support. Dr. Clarke and Dr. Millar investigated these experiments while still in the oil industry, causing them to decide to leave and set up a company (in 1994) to promote seismoelectric technology.

GF developed the seismoelectric instrument the GF3500, which was in production until early 2012 and is an effective surface survey instrument. The PL14 is a completely new version of the original system designed by GF with its patented signal detection technology which images mobile resistive liquids including fresh water, oil and gas. PetroLocate's founders realize that the oil industry is now ready for seismoelectrics applications for the detection and quantification (depth and thickness) of deep fresh water, mobile oil and gas. The PL14 is the result of a ten-year development program and thirteen years of operation (headed up by Ervin Kraemer AquaLocate/PetroLocate Founder) around the world. A seismoelectric system has been recently developed by PetroLocate to develop an even more effective, robust and affordable system. The system has been tested on deep fresh water sources, mobile oil reserves and gas deposits at various locations. To date, there have been a dozen oil wells drilled behind PL14 exploration surveys with 11 of the 12 coming in as expected. The depth of these wells has ranged from about 2500 feet to nearly 5000 feet.

Seismoelectrics resembles seismic reflection surveying (seismic) but is a fundamentally simpler technique than seismic and uses simpler equipment. To operate the PL14 you should know how to use a personal computer. However, you do not need to be a Geophysicist, Geologist, or Hydro Geologist to operate the equipment successfully. The processing is mostly automatic and unlike nearly all other

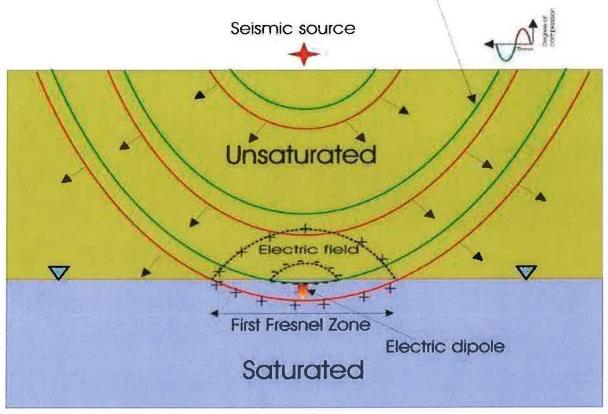
geophysical techniques, if the target (groundwater, oil or gas) is absent, there will be no signal. No freshwater, oil or gas filled permeable layers equal no reproducible signal; it's as simple as that, provided that the data has been collected properly.

OPERATING PRINCIPLE

The PL14 receiver is designed to map aquifers and hydrocarbon reservoirs by measuring the seismoelectric signals produced by them. Seismoelectric (or "electrokinetic") signals are produced whenever water, mobile oil, or mobile gas is forced to move by the pressure changes associated with a seismic shot. As the sound wave from the shot moves through the ground it squashes the rock matrix rather like a sponge. The less-compressible resistive liquid is forced to move relative to the rock matrix. Although the distance moved is very small, typically much less than a millimeter, the resistive liquid carries free ionic charges away from their partners bound to pore surfaces. The resulting charge separation disturbs the electromagnetic field. The disturbance propagates to the surface at the speed of light and is detected by the antenna array, whenever the pressure pulse wave front crosses an interface separating rocks of differing properties; usually at bedding planes. There is extensive literature describing the formation and propagation of seismoelectric signals. Contact PetroLocate for details.

Signals are surprisingly strong. This is because of the geometry of the signal generating process, which *focuses* the signal back to the shot point. When a seismic shot is fired a sound impulse travels outwards in all downward directions. The hemispherical wave front (see diagram below) passes through different sediment and rock layers.

Seismic compression wave



The sketch shows, at the lower left, the approximate shape of the sound pressure pulse. The initial part is strongly compressional, causing a positive pressure change. This is followed by a negative excursion. The circular area encompassed by the leading edge of the pulse when the negative part is just intersecting the same layer is called the first Fresnel zone. This zone resembles the inner part of the "Fresnel lens" used in the rear window of many camper vans. The electrical response to the passing

pressure wave adds up to zero when the sound passes through uniform rock but when it crosses boundaries, as between aquifer/reserves and non-aquifer/non-reserve rocks, large changes in the response across the boundary give rise to a net signal that perturbs the static electromagnetic field. This perturbation propagates to the surface at the speed of light and is detected by the antenna array. The curvature of the wave front and the Fresnel geometry ensures that the signal is tightly focused back to the shot point. This is true whether the rocks are horizontal or inclined (see below).

BEFORE THE INDUSTRIAL COMMISSION

OF THE STATE OF NORTH DAKOTA

CASE NO. 25057 ORDER NO. 27460

IN THE MATTER OF A HEARING CALLED ON A MOTION OF THE COMMISSION TO CONSIDER THE APPLICATION OF GREAT PLAINS ENERGY, INC., REQUESTING AN EXCEPTION TO THE BOND AMOUNT AS REQUIRED PURSUANT TO NDAC § 43-02-12-03 CONDUCTING SHOT-HOLE GEOPHYSICAL EXPLORATION WHILE UTILIZING NEW RECEIVER TECHNOLOGY IN SECTION 22, T.139N., R.95W., STARK COUNTY, ND AS PROVIDED FOR IN NDAC § 43-02-12-01.1.

ORDER OF THE COMMISSION

THE COMMISSION FINDS:

- (1) This cause came on for hearing at 9:00 a.m. on the 20th day of May, 2016.
- (2) The record in this case was left open to receive additional information from Great Plains Energy, Inc. (Great Plains). The Commission received such supplemental information on June 24, 2016 and the record was closed.
- (3) Great Plains is desirous of conducting geophysical operations in Stark County, North Dakota, utilizing small diameter shot holes less than three feet in depth and charged with a small amount of black powder.
- (4) Pursuant to North Dakota Administrative Code (NDAC) Section 43-02-12-03, geophysical exploration contractors shall file with the Commission a good and sufficient bond in the amount of \$50,000 if the contractor intends to conduct shot hole operations or in the amount of \$25,000 if the contractor intends to use any other method of geophysical exploration.
- (5) Great Plains indicated they plan a small scale project where approximately eight 1-1/2" diameter holes will be drilled to a depth of 32 inches and located across the S/2 of Section 22, Township 139 North, Range 95 West, Stark County, North Dakota. A maximum 18-gram black powder charge per shot hole will be utilized and Great Plains will attempt to obtain resistivity readings at the surface after the charge is detonated. Great Plains requests the geophysical exploration contractor be allowed to post a \$5,000 bond as an exception to NDAC Section 43-02-12-03.

Case No. 25057 Order No. 27460

- (6) Pursuant to NDAC Section 43-02-12-01.1, the Commission may, after notice and hearing, grant exceptions to Chapter 43-02-12, when such exceptions will protect correlative rights.
- (7) The Commission believes a typical geophysical exploration 3-D project, utilizing thousands of shot-holes drilled sometimes over 100 feet deep, warrants a \$50,000 bond. The Commission estimates the cost of plugging and reclaiming the eight shot holes in the proposed project will be considerably less than \$5,000 and relief from the bonding requirement should be granted.
 - (8) Granting this application will protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) Any geophysical exploration contractor conducting a project utilizing only small diameter shot holes less than three feet in depth and charged with a small amount of black powder is hereby allowed to file a \$5,000 bond for the purpose of conducting geophysical operations in Stark County, North Dakota, as an exception to NDAC Section 43-02-12-03.
 - (2) This order shall remain in full force and effect until further order of the Commission.

Dated this 29th day of June, 2016.

INDUSTRIAL COMMISSION STATE OF NORTH DAKOTA

/s/ Jack Dalrymple, Governor

/s/ Wayne Stenehjem, Attorney General

/s/ Doug Goehring, Agriculture Commissioner