

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

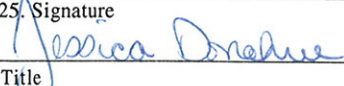
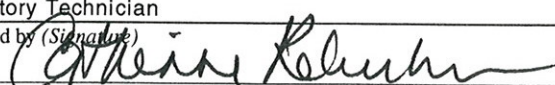
FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. COC 12644-A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Black Hills Plateau Production, LLC		7. If Unit or CA Agreement, Name and No. Horseshoe Canyon, COC 047635X
3a. Address 350 Indiana St. Suite 400, Golden, CO 80401		8. Lease Name and Well No. Horseshoe Canyon 3-22
3b. Phone No. (include area code) 720-210-1333		9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2466' FSL 418' FWL NW SW At proposed prod. zone 1168' FSL 1099' FWL SW SW		10. Field and Pool, or Exploratory Shire Gulch
14. Distance in miles and direction from nearest town or post office* 5.5 miles southeast of Debeque		11. Sec., T., R., M., or Blk. and Survey or Area Sect. 22, T9S, R97W, 6th PM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1099'	16. No. of Acres in lease 320 acres	17. Spacing Unit dedicated to this well 320 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 830'	19. Proposed Depth 8540'	20. BLM/BIA Bond No. on file CO-1394 COB000132
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5402' GR	22. Approximate date work will start* September, 2007	23. Estimated duration 45-60 days drlg + cmplt

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Jessica Donahue	Date 7/9/07
Title Regulatory Technician		
Approved by (Signature) 	Name (Printed/Typed) Catherine Robertson	Date 7/15/08
Title Field Manager	Office Grand Junction Field Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

CONDITIONS OF APPROVAL ATTACHED

2007 JUL 10 AM 9:59

RECEIVED
BUREAU OF LAND MGMT.
GRAND JUNCTION, CO