



GEOPHYSICAL EXPLORATION PERMIT
INDUSTRIAL COMMISSION OF NORTH DAKOTA
OIL AND GAS DIVISION
 SFN 51459 (11-97)



1) a. Company: Reliable Exploration Inc.		Address: 868 Parkway Lane, Billings, MT 59101	
Contact: Allie Rein		Telephone: 406-259-1860	Fax: 406-259-8589
Surety Company: The Travelers Indemnity Company		Bond Amount: \$10,000.00	Bond Number: 363E7196
2) a. Subcontractor(s): TCS Drilling		Address: Box 574, Sidney, MT 59270	
b. Subcontractor(s): Dave Bohe		Address: 715 Forest St, SE, Minot, ND 58701	
c. Subcontractor(s): Buckskin Services		Address: 919 12th St SW, Sidney, MT 59270	
3) Party Manager: Doug Wick		Address: Box 741, Sidney, MT 59270	
4) Project Name or Line Numbers: State Line 3-D			
5) Exploration Method (Shot Hole, Non-Explosive, 2D, 3D): Shot Hole (3-D)			
6) Approximate Drilling Start Date: 7-1-2000		Approximate Completion Date: 8-1-2000	

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

7) Location of Proposed Project - County McKenzie					
Section(s), Township(s) & Range(s)		Sec. 2, 3, 10, 11		T 148N	R 105W
		Sec. 18, 19, 31, 32		T 149N	R 104W
		Sec.		T	R
		Sec.		T	R
8) Size of Hole	Amt. of Charge	Depth	Shots per Mi. (sq. mi.)	No. of Mi. (sq. mi.)	Identifying Marks Used on Nonmetallic Plug
4.75"	10 lb powder	60'	90	12.3	Geophysical ID a. Plugger ID b. Plugger ID c. Plugger ID
					stamp with REL
9) Anticipated special drilling and plugging procedures? n/a					
10) Enclose a pre-plot map with proposed location of seismic program lines and powder mag.					
Signed: <i>[Signature]</i>			Title: agent for Reliable		Date: May 18, 2000

(This space for State office use)

Conditions of Approval if any:

Permit No.: 97-0050	Approval Date: 5/30/00
Approved By: <i>[Signature]</i>	
Title: Geophysical Explorator Supervisor	
County Approval Sent: McKenzie	

Identify surface plays w/ #50 and contact stamps, notify surface owner, county & state field representatives Kim Martin @ 227-7436 prior to drilling. All variances must be approved upon request 5/30/00
[Signature]

R59E

R60E

R104W

4/24/00

Koski Consulting Corporation
 HEADINGTON OIL COMPANY
 State Line 3-D, Part 1
 12.3 mi²
 T22&23N - R59&60E, Richland Co., MT
 T148N - R105W & T149N - R104W, McKenzie Co., ND
 1:24,000
 John Koski: 406-248-9392 Fax: 406-255-7125 email: jsk@wtp.net

North Dakota
Montana

Line 236: 5 Groups

Line 231: 8 Groups

Line 226: 11 Groups

1,098 Total Shots
1,476 Total Receivers

Line 221: 41 Groups

Line 216: 49 Groups

Line 211: 55 Groups 17

Line 206: 58 Groups

Line 201: 49 Groups

Line 196

Line 191

Line 186

Line 181

Line 176

Line 171

Line 166

Line 161

Line 156

Line 151

Line 146

Line 141

Line 136

Line 131

Line 126

Line 121

Line 116

Line 111

Line 106

Line 101

Lines 101 - 196
60 groups/line

T149N

T148N

24

19

20

25

30

29

18

36

31

32

19

1

6

5

30

12

7

8

31

32

13

18

17

3

22N 60E

← Receivers →
@ 220' GI

1,760'

R105W

1,100'

← Shots →
@ 220' GI

T23N

T22N

T149N

T148N

22N 60E

R59E

R60E

Koski Consulting Corporation

HEADINGTON OIL COMPANY

State Line 3-D, Part 1

12.3 mi²

T22823N - R59860E, Richland Co., MT

T148N - R105W & T149N - R104W, McKenzie Co., ND

CI: 20' 1:24,000

John Koski: 406-248-9392 Fax: 406-255-7125 email: jsk@wtp.net

1,098 Total Shots
1,476 Total Receivers

1,100' Receiver Line Spacing

1,760' 1/4 Offset Brick Source Line Spacing

Line 236: 5 Groups

Line 231: 8 Groups

Line 226: 11 Groups

Line 221: 41 Groups

Line 216: 49 Groups

Line 211: 55 Groups

Line 206: 58 Groups

Line 201: 49 Groups

Line 196

Line 191

Line 186

Line 181

Line 176

Line 171

Line 166

Line 161

Line 156

Line 151

Line 146

Line 141

Line 136

Line 131

Line 126

Line 121

Line 116

Line 111

Line 106

Line 101

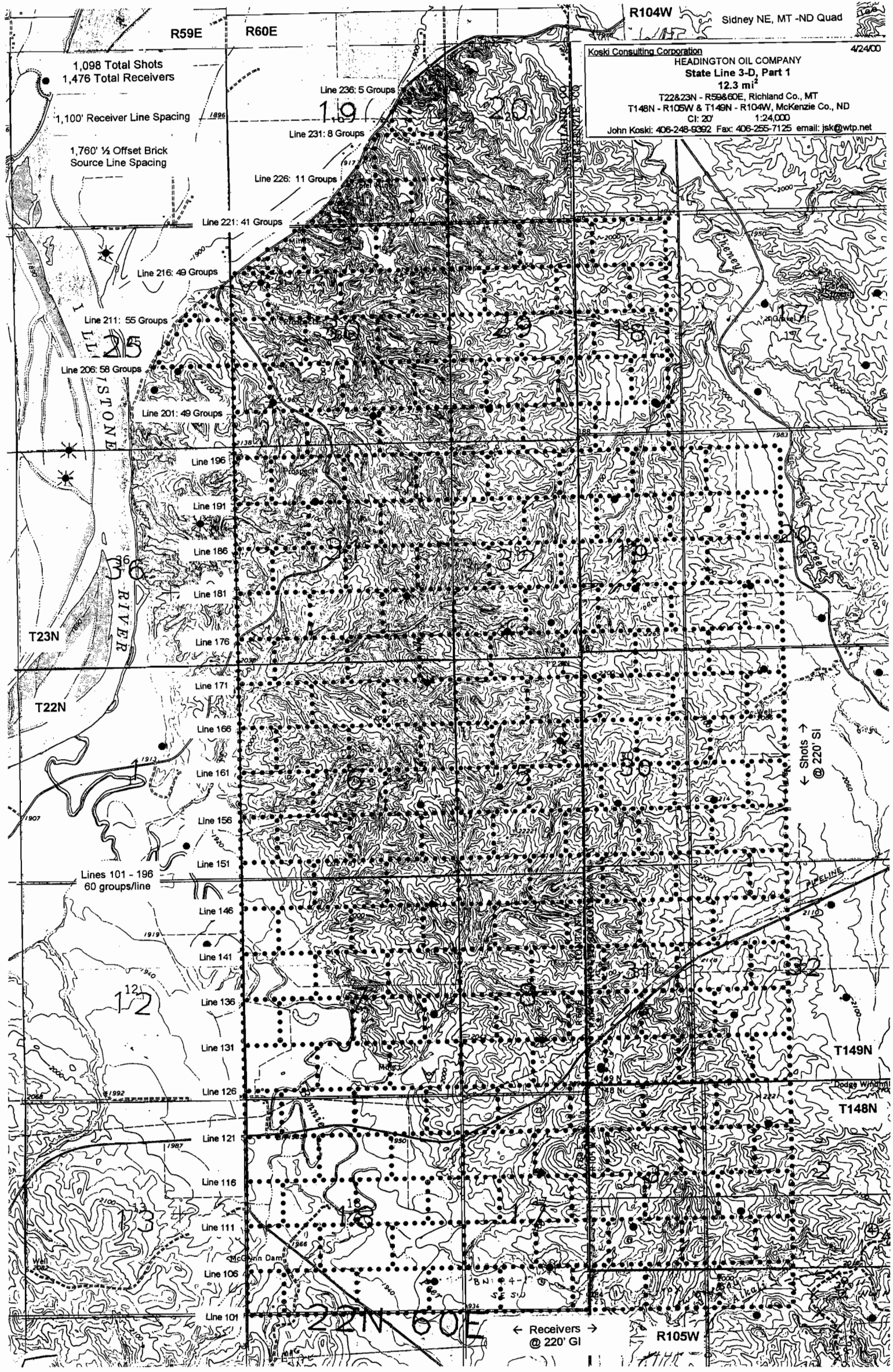
Lines 101 - 196
60 groups/line

← Shots →
@ 220' SI

← Receivers →
@ 220' GI

R105W

22N 60E



NORTH DAKOTA INDUSTRIAL COMMISSION

OIL AND GAS DIVISION

Lynn D. Helms
DIRECTOR

<http://explorer.ndic.state.nd.us>

Bruce E. Hicks
ASSISTANT DIRECTOR

June 5, 2000

Allen Rein
Reliable Exploration Inc.
868 Parkway Lane
Billings, MT 59101

**RE: GEOPHYSICAL EXPLORATION PERMIT NO. 970050
STATE LINE 3-D**

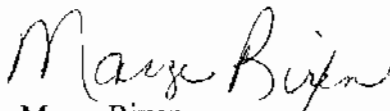
Dear Mr. Rein:

On May 30, 2000, I sent you a letter regarding the approval of Permit No. 970049. The correct permit no. should read 970050.

Sorry for any inconvenience this may have cause.

Please feel free to contact Mr. David Hvinden, Geophysical Regulation Supervisor if you should have any questions.

Sincerely,



Marge Rixen
Legal Assistant

/mr

NORTH DAKOTA INDUSTRIAL COMMISSION

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ASSISTANT DIRECTOR

May 30, 2000

Allie Rein
Reliable Exploration Inc.
868 Parkway Lane
Billings, MT 59101

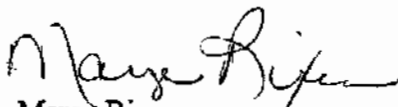
**RE: GEOPHYSICAL EXPLORATION PERMIT NO. 970049
STATE LINE 3-D**

Dear Mr. Rein:

This letter will verify the approval of the above-captioned Geophysical Permits effective May 30, 2000.

Please feel free to contact Mr. David Hvinden, Geophysical Regulation Supervisor if you should have any questions.

Sincerely,



Marge Rixen
Legal Assistant

/mr