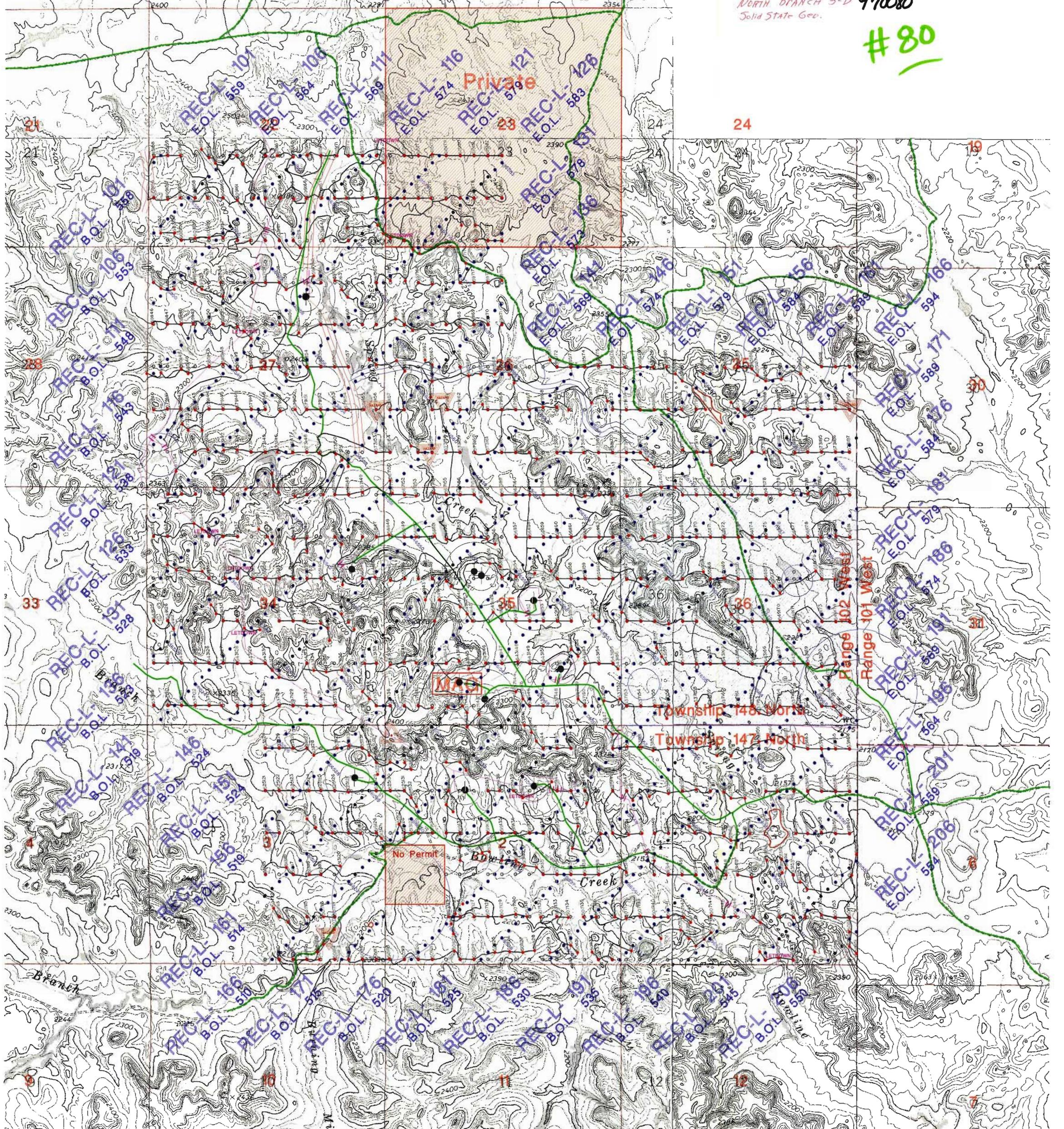


#80





PERMIT NO.: <b>970080</b>	
SHOT HOLE OPERATIONS:	*NON-EXPLOSIVE OPERATIONS:

**SECTION 1**

GEOPHYSICAL CONTRACTOR: <i>Grant Geophysical Corp</i>	
PROJECT NAME AND NUMBER: <i>North Beach 3-D</i>	COUNTY(S): <i>McKENZIE</i>
TOWNSHIP(S): <i>148 N</i>	RANGE(S): <i>102 W</i>
PERMITTED BY: <i>Reliable Exploration</i>	
DATE COMMENCED: <i>July 31 '03</i>	DATE COMPLETED: <i>Aug 15 '03</i>

**SECTION 2**

FIRST S.P. #:	LAST S.P. #:										
LOADED HOLES (UNDETONATED SHOT POINTS)											
S.P. #'s:	<i>615</i>										
	<i>173</i>										
CHARGE SIZE:	<i>5 lbs</i>										
DEPTH:	<i>40ft.</i>										
REASONS HOLES WERE NOT SHOT: <i>Bad Cap</i>											

**SECTION 3**

FLOWING HOLES S.P. #'s
PROCEDURE FOR PLUGGING FLOWING HOLES:
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.

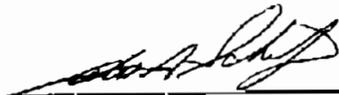
\*Non-Explosive Operations - Complete Section 1 and Affidavit.

**AFFIDAVIT OF COMPLETION (GEOPHYSICAL CONTRACTOR)**

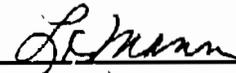
STATE OF North Dakota )

COUNTY OF Richland )

Before me, L. K. Mann, a Notary Public in and for the said County and State, this day personally appeared Rickie A. Schertz who being first duly sworn, deposes and says that (s)he is employed by Geant Geophysical Corp, 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.

  
Geophysical Contractor Representative

Subscribed in my presence and sworn before me this 27 day of October 2003

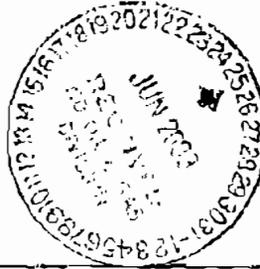
Notary Public 

My Commission Expires 1-24-2006



**SUNDRY NOTICE**

INDUSTRIAL COMMISSION OF NORTH DAKOTA  
OIL AND GAS DIVISION  
600 EAST BOULEVARD DEPT 405  
BISMARCK, ND 58505-0840  
SFR: 51458 (03-2003)



PERMIT #

**970080**

Project Name

**North Branch 3D**

County

**McKenzie County North Dakota**

Supplemental Information

**Please transfer Geophysical Exploration Permit from Reliable Exploration nc. to Grant Geophysical Corp.**

Company

**Grant Geophysical Corp.**

Address

**16850 Park Row**

City

**Houston**

State

**Texas**

Zip Code

**77084**

By

**Trent Middleton**

Date

**June 25, 2003**

Title

**Operations Supervisor**

Telephone Number

**(403) 255-9388**

**FOR OFFICE USE ONLY**

Date Received

**6/25/03**

By

*[Signature]*

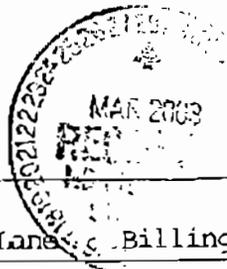
Title

*Geophysical Regulatory Dept.*



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

600 E BOULEVARD AVE  
 BISMARCK, ND 58505



1) a. Company: <b>RELIABLE EXPLORATION, INC.</b>		Address: 868 Parkway Lane, Billings, MT 59101	
Contact: Allen Rein, President		Telephone: (406) 259-1860	Fax: (406) 259-8589
Surety Company: Amwest Surety Company		Bond Amount: \$50,000.00	Bond Number: 7007336
2) a. Subcontractor(s): B & J Drilling Co		Address: PO Box 574 Sidney, MT 59270	Telephone: (406) 488-7769
b. Subcontractor(s):		Address:	Telephone:
c. Subcontractor(s):		Address:	Telephone:
3) Party Manager: Douglas Wick		Address: PO Box 741 Sidney, MT 59270	Telephone: (406) 482-4092
4) Project Name or Line Numbers: Nance Petroleum - North Branch 3D			

5) Exploration Method (Shot Hole, Non-Explosive, 2D, 3D):  
 shot hole

6) Approximate Drilling Start Date: will notify (must have approval from US Forest Service)  
 Approximate Completion Date:

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

7) Location of Proposed Project - County:  
 Me Kenzie County, ND

Section(s), Township(s) & Range(s)	Sec.	T	R
	22, 23, 25, 26, 27, 34, 35, 36	148 N	102 W
	1, 2, 3, 10, 11, 12	147 N	102 W
	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			
					Geophysical ID	a. Plugger ID	b. Plugger ID	c. Plugger ID
4 3/4	5#	40'	every 220 ft	8.5 sq	REL	REL		

9) Anticipated special drilling and plugging procedures?  
 none

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

Signed: *Allen Rein* Title: President Date: 3/26/03

(This space for State office use)		Conditions of Approval if any: Identify surface plug w/ # 60 and delg/plug ID Notify surface owner, town, county and state field inspector Tom Torstensen @ 701-227-7436 prior to any drilling. All permits and variances must be furnished upon request and any SERP should be sent in w/complete reports.
Permit No.: 970080	Approval Date: 4/6/03	
Approved By: <i>David Hinch</i>		
Title: <i>Geophysical Regulations Supervisor</i>		
County Approval Sent: <i>McKenzie County 4/8/03</i>		

\*See Instructions On Reverse Side

*David Hinch 4/6/03*



NORTH DAKOTA INDUSTRIAL COMMISSION

OIL AND GAS DIVISION

Lynn D. Helms  
DIRECTOR

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

Bruce E. Hicks  
ASSISTANT DIRECTOR

April 9, 2003

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

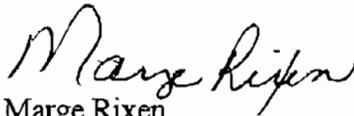
**RE: GEOPHYSICAL EXPLORATION PERMIT NO. # 970080  
NANCE PETROLEUM – NORTH BRANCH 3D  
MCKENZIE CO. NORTH DAKOTA**

Dear Mr. Rein:

This letter will verify the approval of the above-captioned Geophysical Permit effective April 8, 2003.

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

OIL AND GAS DIVISION

Lynn D. Helms  
DIRECTOR

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

Bruce E. Hicks  
ASSISTANT DIRECTOR

April 8, 2003

The Honorable Frances M. Olson  
McKenzie County Auditor  
P.O. Box 543  
Watford City, ND 58854

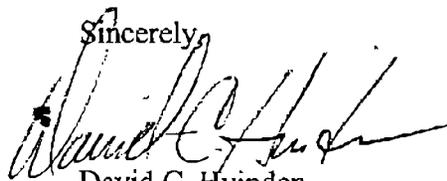
RE: Geophysical Exploration  
Permit # 97-0080

Dear Ms. Olson:

Pursuant to Section 38-08.1-04.2 of the North Dakota Century Code, please be advised that Reliable Exploration, Inc. was issued the above captioned permits on April 8, 2003 and will remain in effect for a period of one year.

Should you have any questions, please contact our office.

Sincerely,



David C. Hvinden  
Geophysical Regulation Supervisor

DCH/dh