

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

Blackstone Exploration Co. LLC

Address City State Phone Number

P.O. Box 940 Holbrook, AZ 86025 928-524-7786

Drilling Contractor

Blackstone Exploration Co. LLC. (Company tools)

Address P.O. Box 940 Holbrook AZ 86025 928-524-7786

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor

State of Arizona

Well number

1

Elevation (ground)

5667.5

Nearest distance from proposed location to property or lease line:

1980

feet

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:

NA

feet

Number of acres in lease

640

Number of wells on lease, including this well, completed in or drilling to this reservoir:

1

If lease purchased with one or more wells drilled, from whom purchased.

Name

NA

Address

Well location (give footage from section lines)

1980' FROM SOUTH & EAST LINES

Section - Township - Range or Block and Survey

SEC. 36, T16N, R19E

Dedication per A.A.C. R12-7-104(A)(3)

± 640 ac

Field and reservoir (if wildcat, so state)

wildcat

County

NAVAJO COUNTY

Distance in miles and direction from nearest town or post office

13.3 MILES S.W. OF POST OFFICE IN HOLBROOK, AZ

Proposed depth:

4000

Rotary or cable tools

Rotary

Approximate date work will start

11-01-2015

Bond status

On file

Organization Report

Filing Fee of \$25.00

Amount \$25,000.00

On file

Or attached

Attached

Remarks

API 02-017-20111

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Manager of the Blackstone Exploration Co., LLC (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

Cam Gunn

Date

10/26/2015

Mail completed form to:
Oil and Gas Program Administrator
Arizona Geological Survey
418 W. Congress, #100
Tucson, AZ 85701-1315

Permit Number: 1202

Approval Date: 10-27-2015

Approved By: SLR

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter
File Two Copies

Form No. 3

816-223-3712

- Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
- A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
- ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
- Is the operator the only owner in the dedicated acreage outlined on the plat below? YES NO
- If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise? YES NO If answer is yes, give type of consolidation NA
- If the answer to question four is no, list all the owners and their respective interests below:

Owner <u>Blackstone Exploration Co LLC</u>	Land Description <u>NW 1/4 SE 1/4 SECTION 36, T16N, R19E</u>
<p style="text-align: center; font-size: 24px; font-weight: bold;">SECTION 36 T16N R19E</p>	<p style="text-align: center; font-weight: bold;">CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p>Name _____</p> <p>Position _____</p> <p>Company _____</p> <p>Date _____</p> <p style="text-align: center; font-size: 18px; font-weight: bold;">Donald Loose</p> <p>I hereby certify that the information shown on the plat is true and correct to the best of my knowledge and belief, and that the same is true and correct to the best of my knowledge and belief.</p> <div style="text-align: center;"> </div> <p>Date Surveyed <u>27 MAY, 2015</u></p> <p>Registered Land Surveyor <u>DONALD J. LOOSE</u></p> <p>Certificate No. <u>AZ RLS 23379</u></p>

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
16"		New	Surface	40'	40'	Estimate: 80	Class A
8 5/8"	23 lb	New	Surface		50' below base of Cocaine	Estimate: 450	Class A
5 1/2"	15.5 lb	New	Surface	3,950'	TD to cover all productive zones	Estimate: 450	60/40 Pozimix