

OIL & GAS CONSERVATION COMMISSION
MINUTES OF MEETING / JULY 13, 2007
STEVEN L RAUZI, OIL & GAS ADMINISTRATOR

NOTICE OF COMBINED PUBLIC MEETING AND POSSIBLE EXECUTIVE SESSION

OIL AND GAS CONSERVATION COMMISSION

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Oil and Gas Conservation Commission and to the general public that the Oil and Gas Conservation Commission will hold a meeting open to the public on July 13, at 10:00 a.m. in Room 321 of the State Land Department Building located at 1616 West Adams Street, Phoenix, Arizona 85007. As indicated in the agenda, pursuant to A.R.S. § 38-431.03(A)(3) or (4), the Oil and Gas Conservation Commission may vote to go into executive session, which will not be open to the public, for discussion or consultation with its attorney.

The agenda for the meeting is as follows:

1. Call to Order
2. Approval of Minutes of Meeting of March 9, 2007
3. Report of State Geologist and Director about administrative, budget, and staff support matters including possible sites for the SPR in southwestern Arizona.
4. Report of Oil & Gas Administrator about new permits, workovers at Adamana, and status of leasing and drilling activity
5. Oral hearing to amend A.A.C. R12-7-115 and R12-7-121
6. Discussion of and possible decision regarding surface use plans required by the State Land Department for wells drilled on State Trust Land
7. Status of Ridgeway Arizona Oil Corp wells 11-16-30 State (Permit 937), 11-06-31 State (Permit 939), 11-07-31 State (Permit 940), 11-18-31 State (Permit 941), 11-20-31 State (Permit 942), 11-29-31 State (Permit 943), 11-32-31 State (Permit 944), and 12-32-31 State (Permit 947) and possible decision concerning temporary abandonment, and possible report from a representative of Ridgeway and follow-up discussion
8. Call to the public
 - This is the time for the public to comment. Members of the Commission may not discuss items that are not on the agenda. Therefore, action taken as a result of public comment will be limited to directing staff to study the matter or scheduling the matter for further discussion and decision at a later date.
9. Announcements
10. Adjournment

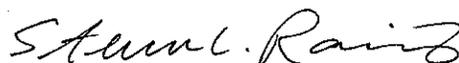
The Oil and Gas Conservation Commission may vote to go into Executive Session, pursuant to A.R.S. § 38-431.03(A)(3) or (4), which will not be open to the public, to consult with its attorney and receive legal advice with respect to any regular agenda item listed on this agenda.

A copy of the agenda background material provided to Commission members (with the exception of material relating to possible executive sessions) is available for public inspection at the Oil and Gas Administrator's office, 416 West Congress, Suite 100, Tucson, Arizona 85701.

The public may be afforded an opportunity to comment on any item on the agenda; however, at the beginning of the meeting, the Commission may vote to set up a time limit on individual comments.

Dated this 6th day of July 2007

OIL AND GAS CONSERVATION COMMISSION



Steven L. Rauzi
Oil and Gas Program Administrator

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting Steve Rauzi at (520) 770-3500. Requests should be made as early as possible to allow time to arrange the accommodation. This document is available in alternative formats by contacting Steve Rauzi at (520) 770-3500.

OIL AND GAS CONSERVATION COMMISSION
416 West Congress #100
Tucson, Arizona 85701

Minutes of Meeting
March 9, 2007

Present:

Dr. J. Dale Nations, Chairman
Mr. Robert L. Jones, Vice-Chairman
Ms. Michele P. Negley, Member
Mr. Robert L. Wagner, Member
Mr. Steven L. Rauzi, Oil and Gas Program Administrator

Dr. J. Dale Nations, Chairman, called the regular Commission Meeting of March 9 to order at 10:00 a.m. in Room 321, State Land Department Building in Phoenix, Arizona.

APPROVAL OF THE MINUTES OF THE MEETING OF OCTOBER 27, 2006

Ms. Negley moved, seconded by Mr. Wagner:

THAT THE MINUTES OF THE MEETING OF OCTOBER 27, 2006 BE
ACCEPTED AS PRESENTED

Motion carried unanimously.

REPORT OF THE STATE GEOLOGIST AND DIRECTOR

None

REPORT OF THE OIL AND GAS ADMINISTRATOR

The activity report of Mr. Rauzi was sent to the Commissioners and has been made a part of these minutes. Mr. Rauzi reported that Ridgeway finished drilling two and was currently drilling two more of its 11 permitted wells between St. Johns and Springerville. He noted that High Plains had not started its well near Concho and described general drilling activity at the liquefied-petroleum-gas facilities near Luke and Holbrook.

REPORT ABOUT FIVE-YEAR REVIEW OF RULES

Mr. Rauzi reported that the Governor's Regulatory Review Council approved the Commission's five-year review at its February 6, 2007 meeting.

POSSIBLE ACTION TO INITIATE RULEMAKING PROCEEDINGS TO AMEND A.A.C. R12-7-115 AND R12-7-121

Mr. Rauzi described the proposed rulemaking noting that it related to the five-year-review report. He revised R12-7-115 to clarify what is meant by the normal vertical course of a well and require testing at reasonably frequent intervals to determine the deviation from vertical. He revised R12-7-121 to improve understandability by adding language to make the rule consistent with governing statutes and state that the completion report is confidential in addition to all other well information.

Ms. Negley moved, seconded by Mr. Jones:

TO AUTHORIZE THE OIL AND GAS ADMINISTRATOR TO PROCEED WITH
THE PROPOSED RULEMAKING

Motion carried unanimously.

Dr. Nations signed the agency certificate for submission of the proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register.

STATUS OF HIGH PLAINS PETROLEUM 1-17 SANTA FE (PERMIT 934) AND POSSIBLE
DECISION CONCERNING TEMPORARY ABANDONMENT

Mr. Rauzi reported that High Plains submitted a written request to temporarily abandon its 1-17 Santa Fe for six months to evaluate several zones. He reported that High Plains had submitted evidence of well status and integrity and recommended approval of the request.

Mr. Jones moved, seconded by Mr. Wagner:

TO GRANT TEMPORARY ABANDONMENT FOR SIX MONTHS TO THE
HIGH PLAINS 1-17 SANTA FE

Motion carried unanimously.

STATUS OF RIDGEWAY ARIZONA OIL CORPORATION WELLS 22-1X STATE (PERMIT
888), 11-21 STATE (895), 10-22 STATE (896), 9-21 STATE (897), 12-15-30 STATE (900), AND 11-
18 STATE (916), APACHE COUNTY, POSSIBLE DECISION CONCERNING TEMPORARY
ABANDONMENT, AND POSSIBLE REPORT FROM A REPRESENTATIVE OF RIDGEWAY
AND FOLLOW-UP DISCUSSION

Mr. Rauzi reported that Ridgeway submitted a written request to extend temporary abandonment through January 2008. He noted that 22-1X and 10-22 were not on leases subject to expiration and recommended extension of temporary abandonment.

Ms. Negley moved, seconded by Mr. Wagner:

TO EXTEND TEMPORARY ABANDONMENT TO WELLS 22-1X AND 10-22
THROUGH JANUARY 2008

Motion carried unanimously.

Mr. Rauzi reported that Ridgeway did not regain the leases for the 11-21, 9-21, 12-15-30, and 11-18 in the Land Department's drawing on January 17, 2007. He reported that Ridgeway requested extension of the leases for the 11-21, 9-21, and 11-18 by paying shut-in royalty but not for the 12-15-30. As a result, Ridgeway had 180 days from January 17, 2007 to plug the 12-15-30 in accordance with the Commission's motion of January 13, 2006 if the new lessee had no interest in the well. Mr. Rauzi reported that the Land Department did not grant Ridgeway's request to extend the leases for the 11-21, 9-21, and 11-18 by paying shut-in royalty. As a result, Ridgeway had 180 days from January 17, 2007 to plug the 11-21, 9-21, and 11-18 in accordance with the Commission's motion of January 13, 2006 if the new

lessee had no interest in the well. Mr. Tom White reported that Ridgeway intended to appeal the Land Department's decision to the full extent of the law. Mr. Rauzi recommended extension of temporary abandonment if Ridgeway won the appeal or if it lost the appeal to plug the wells within 180 days of the date of the final appeal decision if the new lessee had no interest in the wells.

Ms. Negley moved, seconded by Mr. Jones:

TO EXTEND TEMPORARY ABANDONMENT OF THE 11-21, 9-21, AND 11-18 THROUGH JANUARY 2008 IF RIDGEWAY REGAINED THE LEASES BY SUCCESSFUL APPEAL, AND IF IT DID NOT, TO PLUG THE WELLS WITHIN 180 DAYS OF THE APPEAL DECISION IF THE NEW LESSEE HAD NO INTEREST IN THE WELLS

Motion carried unanimously.

STATUS OF RIDGEWAY ARIZONA OIL CORPORATION WELLS 11-29-30 STATE (PERMIT 938), 11-24-29 STATE (945), 11-32-30 STATE (946), AND 11-16-30 STATE (937), APACHE COUNTY, POSSIBLE DECISION CONCERNING TEMPORARY ABANDONMENT, AND POSSIBLE REPORT FROM A REPRESENTATIVE OF RIDGEWAY AND FOLLOW-UP. DISCUSSION

Mr. Rauzi reported that Ridgeway was actively drilling or testing the wells and that no decision regarding temporary abandonment was necessary until there was at least 60 days of inactivity at the wells. However, Mr. Tom White handed Mr. Rauzi a letter before the meeting requesting temporary abandonment for wells 11-29-30, 11-24-29, and 11-32-30. In light of Ridgeway's letter and Ridgeway's intention to drill all eleven of their permitted wells, Mr. Rauzi proposed that the Commission grant temporary abandonment to all eleven of the wells referenced in the agenda for his activity report. After some discussion, Ms. Negley so moved and Mr. Wagner seconded the proposal.

Dr. Nations acknowledged the motion and second and called for discussion and comment. Mr. Bill Rex, Hunt Oil USA, asked if it was appropriate for the Commission to issue a blanket approval of extension for wells that had not yet been drilled and for which there was no information yet available. After further discussion, Ms. Negley withdrew her motion and Mr. Wagner withdrew his second.

Mr. Wagner moved, seconded by Mr. Jones:

TO GRANT TEMPORARY ABANDONMENT THROUGH JANUARY 2008 TO WELLS 11-29-30, 11-24-29 AND 11-32-30

Motion carried unanimously.

CALL TO THE PUBLIC

Mr. Rauzi reported that Mr. Paul Buff informed him the Bureau of Land Management (BLM) planned to hold an oil and gas lease sale by summer. The BLM received expressions of interest for about 380,000 acres and was reviewing the acres to see if they were available for leasing or would require standard or special lease stipulations.

ANNOUNCEMENTS

The Commission scheduled its next meeting at 10:00 a.m. on July 13, 2007, in room 321 at the State Land Department Building in Phoenix.

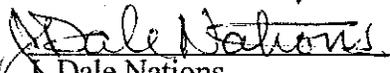
ADJOURNMENT

Ms. Negley moved, seconded by Mr. Jones:

THAT THE MEETING BE ADJOURNED

Motion carried unanimously. Time of adjournment was 10:50 a.m.

APPROVED


Dale Nations
Chairman

GUESTS IN ATTENDANCE

Teresa Craig

JoAnne Jones

Larry Meier

Jerrot Owen

Bill Rex

Mike Rice

Michele Van Quathem

Thomas White

Assistant Attorney General for State Land Department

Public

State land Department

KHL, Inc.

Hunt Oil USA, Inc.

State land Department

Ryley Carlock & Applewhite

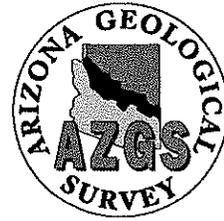
Ridgeway Arizona Oil Corporation



Janet Napolitano
Governor

State of Arizona
Arizona Geological Survey

416 W. Congress, Suite 100
Tucson, Arizona 85701
(520) 770-3500
www.azgs.az.gov



M. Lee Allison
Director and State Geologist

July 6, 2007

To: Oil and Gas Conservation Commissioners

From: ^{SLR} Steven L. Rauzi, Oil and Gas Administrator

Re: Activity Report for the July 13, 2007, Meeting

No new permits to drill were issued and Ridgeway Arizona Oil Corporation drilled the remaining eight of its 11 permitted wells since your last meeting on March 9, 2007. Ridgeway drilled the 11-16-30 State, 11-6-31 State, 11-7-31 State, 11-18-31 State, 11-20-31 State, 11-29-31 State 11-32-31 State, and 12-32-31 State. Ridgeway was not able to drill several of the wells to total depth citing extensive repairs being made to the Ridgeway Drilling Rig and lack of availability of service contractors in the area. As a result, Ridgeway has submitted written request to temporarily abandon the eight wells.

The Bureau of Land Management held an oil and gas lease sale on July 10 including 323,000 acres in Apache, Navajo, and Mohave counties.

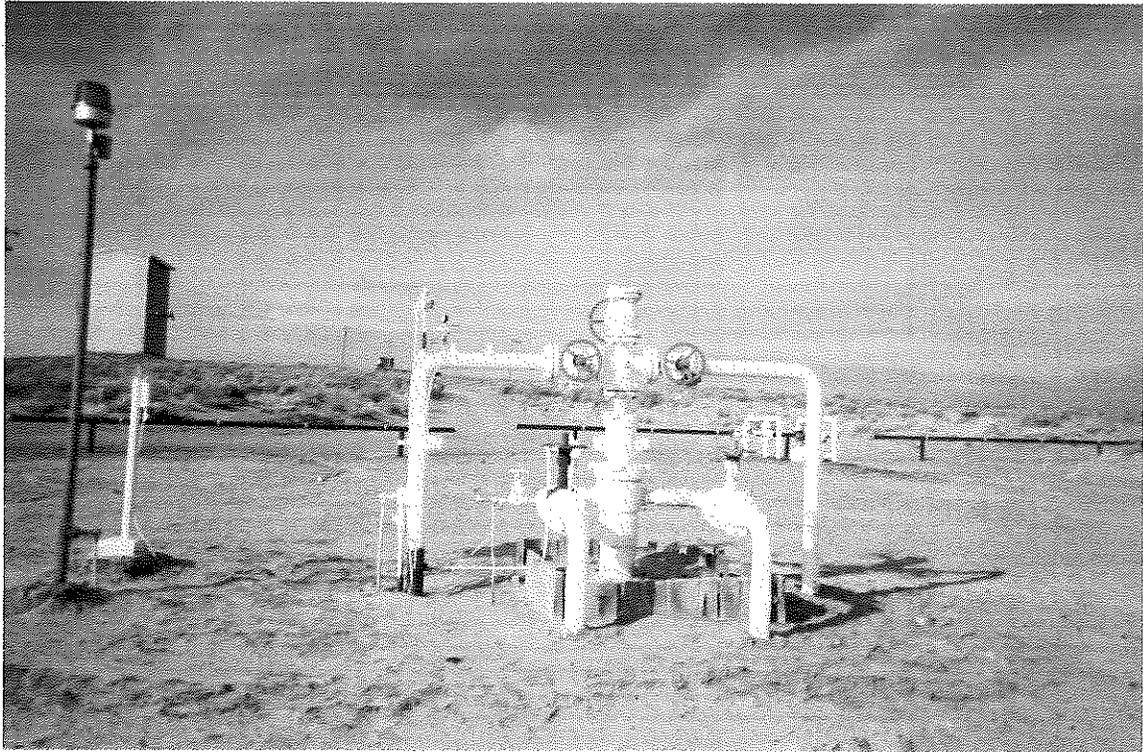
AmeriGas is close to completing the sale of its LPG storage facility near Glendale to Plains LPG Services. AmeriGas expects to close the sale by the end of July.

Enterprise Products reworked six of its 11 wells at the Adamana facility including open-hole caliper surveys, new casing and wellheads, and mechanical integrity tests. Enterprise plans to re-work the remaining five wells next year.

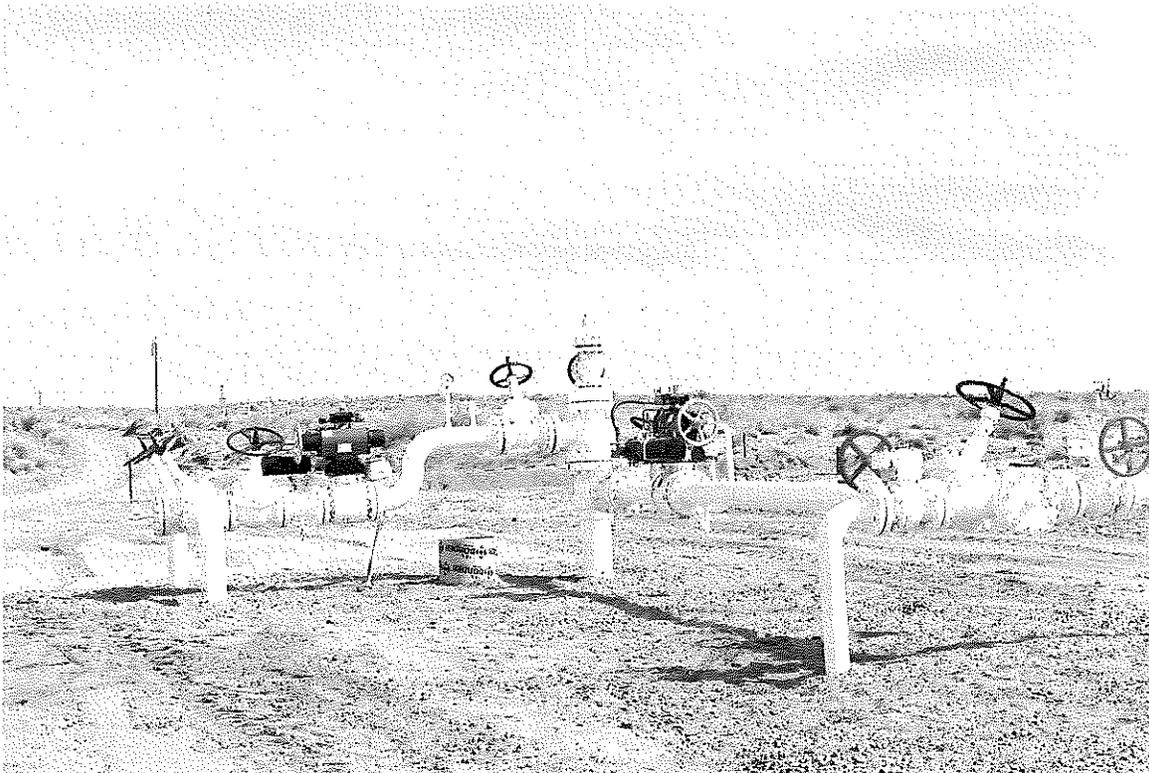
The proposed rulemaking that you approved in your March 9 meeting for R12-7-115 and R12-7-121 was published in the April 6 issue of the Arizona Administrative Register. I haven't received any written comments for the rulemaking since it was published in the Register.

Permits to drill on State Trust land are not approved until the Land Department has approved a surface use plan. I recommend that the Commission formalize that arrangement by so stating in a motion.

New wellheads at Adamana LPG facility



Old wellhead on well 4 (603) October 2006



New wellhead on well 4 (603) April 5, 2007

Arizona Administrative Register / Secretary of State
Notices of Proposed Rulemaking

- for at least 15 adult patients with dyspnea or respiratory distress; and
- b. The student shall perform a comprehensive patient assessment on and formulate and implement a treatment plan for at least 5 pediatric patients, including infants, toddlers, and school-age, with dyspnea or respiratory distress.
3. **The student shall demonstrate the ability to perform a comprehensive assessment on and formulate and implement a treatment plan for patients with abdominal complaints:** The student shall perform a comprehensive patient assessment on and formulate and implement a treatment plan for at least 15 patients with abdominal complaints such as abdominal pain, nausea or vomiting, gastrointestinal bleeding, and gynecological complaints.
4. **The student shall demonstrate the ability to perform a comprehensive assessment on and formulate and implement a treatment plan for patients with altered mental status:** The student shall perform a comprehensive patient assessment on and formulate and implement a treatment plan for at least 15 patients with altered mental status.
- E. **TEAM LEADER SKILLS**
The student shall demonstrate the ability to serve as a team leader in a variety of prehospital emergency situations: The student shall serve as the team leader for at least 25 prehospital emergency responses.

NOTICE OF PROPOSED RULEMAKING

TITLE 12. NATURAL RESOURCES

CHAPTER 7. OIL AND GAS CONSERVATION COMMISSION

[R07-98]

PREAMBLE

- | | |
|------------------------------------|---------------------------------|
| 1. <u>Sections Affected</u> | <u>Rulemaking Action</u> |
| R12-7-115 | Amend |
| R12-7-121 | Amend |
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
Authorizing statutes: A.R.S. §§ 27-516(A) and 27-656
Implementing statutes: A.R.S. §§ 27-516(A)(2) and (A)(12), 27-522, 27-653, and 27-661
3. **A list of all previous notices concerning the rules:**
Notice of Rulemaking Docket Opening: 13 A.A.R. 43, January 5, 2007
4. **The name and address of agency personnel with whom persons may communicate regarding the rules:**
Name: Steven L. Rauzi, Oil & Gas Administrator
Address: Arizona Geological Survey
416 West Congress, Ste. 100
Tucson, AZ 85701-1315
Telephone: (520) 770-3500
Fax: (520) 770-3505
5. **An explanation of the rules, including the agency's reasons for initiating the rules:**
R12-7-115 specifies requirements for directional drilling and deviation surveys and R12-7-121 specifies completion and filing requirements for drilled wells. The agency is amending R12-7-115 to clarify what is meant by the normal vertical course of a well and require testing at reasonably frequent intervals to determine the deviation from vertical. The agency is amending R12-7-121 to improve understandability by adding language to make the rule consistent with governing statutes and state that the completion report is confidential in addition to all other well information.
6. **A reference to any study that the agency proposes to rely on in its evaluation of or justification for the rules and where the public may obtain or review the study, all data underlying each study, any analysis of the study, and other supporting material:**
None
7. **A showing of good cause why the rules are necessary to promote a statewide interest if the rules will diminish a previous grant of authority of a political subdivision of this state:**
Not applicable
8. **The preliminary summary of the economic, small business, and consumer impact:**

Arizona Administrative Register / Secretary of State
Notices of Proposed Rulemaking

These rules directly impact companies drilling for oil, gas, and geothermal resources. The rules are mostly procedural in nature and will not significantly impact the economy or have a significant impact upon small businesses or consumers. The proposed rulemaking will benefit the regulated community by clarifying what is meant by the normal vertical course of a well and clearly stating that the completion report is confidential in addition to other well data.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Steven L. Rauzi, Oil & Gas Administrator
Address: Arizona Geological Survey
416 W. Congress, Ste. 100
Tucson, AZ 85701-1315
Telephone: (520) 770-3500
Fax: (520) 770-3505

10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rules or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rules:

Date: July 13, 2007
Time: 10:00 a.m.
Location: 1616 W. Adams, Rm. 321
Phoenix, AZ 85007
Nature: Oral proceeding to adopt amended rules

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable

12. Incorporations by reference and their location in the rules:

None

13. The full text of the rules follows:

TITLE 12. NATURAL RESOURCES

CHAPTER 7. OIL AND GAS CONSERVATION COMMISSION

ARTICLE 1. OIL, GAS, HELIUM, AND GEOTHERMAL RESOURCES

Section

R12-7-115. Deviation of Hole and Directional Drilling
R12-7-121. Well Completion and Filing Requirements

ARTICLE 1. OIL, GAS, HELIUM, AND GEOTHERMAL RESOURCES

R12-7-115. Deviation of Hole and Directional Drilling

- A. ~~No operator drilling a well may be~~ shall not intentionally deviated deviate from its the normal vertical course of the well unless the operator ~~shall first file files an~~ application and ~~obtain obtains~~ approval from the Commission after notice and hearing. The normal vertical course of a well is defined by a tolerance ~~wherein the maximum deviation of the well does not exceed a 100-foot radius from the surface location~~ an average deviation from vertical of not more than five degrees in any 500-foot interval. The operator shall test any vertical or deviated well that is drilled or deepened at least once each 500 feet or at the first bit change succeeding 500 feet. The operator shall tabulate all deviation tests run and file the tabulation with the Commission within 30 days after drilling is completed. Deviation from the vertical for short distances is permitted in the drilling of a well without special approval only to straighten the hole, sidetrack junk, or correct other mechanical difficulties.
- B. An application for directional drilling shall include
1. The name, address, and ~~phone~~ telephone number of the operator;
 2. The field name, lease name, well number, state permit number, reservoir name, and county where the proposed well is located;
 3. A plat or sketch showing the distance from the surface location to section and lease lines and to the target location within the intended producing interval;
 4. The reason for the intentional deviation; and
 5. The signature of the operator.

Arizona Administrative Register / Secretary of State
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- C. The operator of any well capable of production and whose producing interval or any portion thereof of the producing interval is located 330 feet or less in the case of an oil well or 1,660 feet or less in the case of a gas well from the boundary of any drilling unit shall run a directional survey before running the production casing.
- D. In order to ensure compliance with this Section, the Commission may require the operator to run a directional survey of any hole at the operator's expense. The Commission may require an operator to run a directional survey of any hole at the request of an offset operator at the expense and risk of the offset operator unless the survey shows that the well is completed at a point outside the drilling unit or at an unauthorized point.
- E. Within 30 days following the completion of drilling a directionally-drilled well, the operator shall file with the Commission a complete angular deviation and directional survey of the well, obtained by a well survey company.
- F. ~~Nothing in these rules shall be interpreted to permit the drilling of any~~ An operator shall not drill a well in such a manner that it crosses the results in the well crossing drilling unit lines, except by approval obtained from the Commission after notice and hearing.

R12-7-121. Well Completion and Filing Requirements

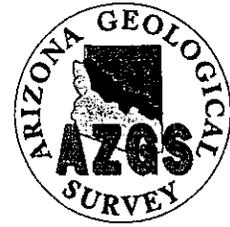
- A. An operator shall file a completion report with the Commission within 30 days after a well is completed. The completion report shall contain a description of the well and lease, the casing, tubing, liner, perforation, stimulation, and cement squeeze records, and data on the initial production. The operator shall submit other well data to the Commission within 30 days of the date the work is done, including any:
 - 1. Lithologic, mud, or wireline log;
 - 2. Directional survey;
 - 3. Core description and analysis;
 - 4. Stratigraphic or faunal determination;
 - 5. Formation or drill-stem test;
 - 6. Formation fluid analysis; or
 - 7. Other similar information or survey.
- B. An operator shall furnish samples of all drilled cuttings, at a maximum interval of 10 feet, to the Commission within 30 days after drilling is completed. The operator may furnish samples of continuous core in chips at 1-foot intervals. The operator shall:
 - 1. Wash and dry all samples;
 - 2. For each sample, place approximately 3 tablespoons of the sample in an envelope with the following identifying information: the well from which the sample originates, the location of the well, the Commission's permit number for the well, and the depth at which the sample is taken; and
 - 3. Package sample envelopes in protective boxes and ship prepaid to:
Oil and Gas Administrator
Arizona Geological Survey
416 West W. Congress, Suite Ste. 100
Tucson, AZ 85701
- C. Confidential records:
 - 1. The Commission shall keep the completion report and all well information required by this Section for any well drilled for oil and gas in unproven territory confidential for one year after the drilling is completed unless the operator gives written permission to release the information at an earlier date. The Commission shall provide notice to the operator 60 days before confidential records become subject to public inspection and, at the operator's request, extend the confidential period for 6 six months to 2 two years from the date of the request if the Commission finds that the operator has demonstrated that release would provided credible evidence that disclosure of the information is likely to cause harm to the operator's competitive position with respect to unleased land in the vicinity of the well.
 - 2. The Commission shall keep the completion report and all well information required by this Section for any well drilled in search of geothermal resources confidential for one year after drilling is completed upon operator request.



Janet Napolitano
Governor

State of Arizona
Arizona Geological Survey

416 W. Congress, Suite 100
Tucson, Arizona 85701
(520) 770-3500
www.azgs.az.gov



M. Lee Allison
Director and State Geologist

July 13, 2007

Mr. Graham Alex Turner, Chairman
Governor's Regulatory Review Council
100 N 15th Ave, Suite 402
Phoenix, Arizona 85007

Re: Final Rulemaking: A.A.C. R12-7-115 and R12-7-121

Dear Mr. Turner:

The Arizona Oil and Gas Conservation Commission closed the record and adopted the referenced rulemaking in its meeting of July 13, 2007. No written comments were received by the agency concerning the proposed rules and no oral comments were received at the July 13 oral proceeding to adopt the amended rules.

The rulemaking relates to a 5-year-review report approved by the Council on February 6, 2007. The proposed rules contain no new fees and no fee increases. The Commission is not requesting an immediate effective date and no studies were reviewed in making these rules.

Attachments to this cover letter include: (1) Notice of Final Rulemaking including preamble and text of the adopted rules and (2) economic, small business, and consumer impact statement. Definitions of terms contained in statutes or other rules are not attached because none are used in the adopted rules.

Sincerely,

J. Dale Nations
Chairman Oil and Gas Conservation Commission

c M. Lee Allison, State Geologist and Director

Enclosures

AGENCY CERTIFICATE

OIL AND GAS CONSERVATION COMMISSION

1. **Agency Name:** Arizona Geological Survey (includes Oil and Gas Conservation Commission, which is attached administratively)
2. **Chapter Heading:** Oil and Gas Conservation Commission
3. **Code Citation for the Chapter:** 12 A.A.C. 7
4. **The Subchapters, if applicable; the Article; the Parts, if applicable; and the Sections involved in the rulemaking, listed in alphabetical and numerical order:**

Subchapters, Articles, Parts, and Sections:

Action:

R12-7-115

Amend

R12-7-121

Amend

5. **The rules contained in this package are true and correct as made:**

6. Jack Dale Nations
Signature

7/13/07
Date of signing

JACK DALE NATIONS
Printed or typed name of signer

Chairman
Title of signer

Suggested motion agenda item 6:

THAT AN APPLICATION TO DRILL ON STATE TRUST LAND IS NOT ADMINISTRATIVELY COMPLETE UNTIL THE COMMISSION RECEIVES NOTICE FROM THE STATE LAND DEPARTMENT THAT A SURFACE USE PLAN HAS BEEN APPROVED

Under R12-7-104

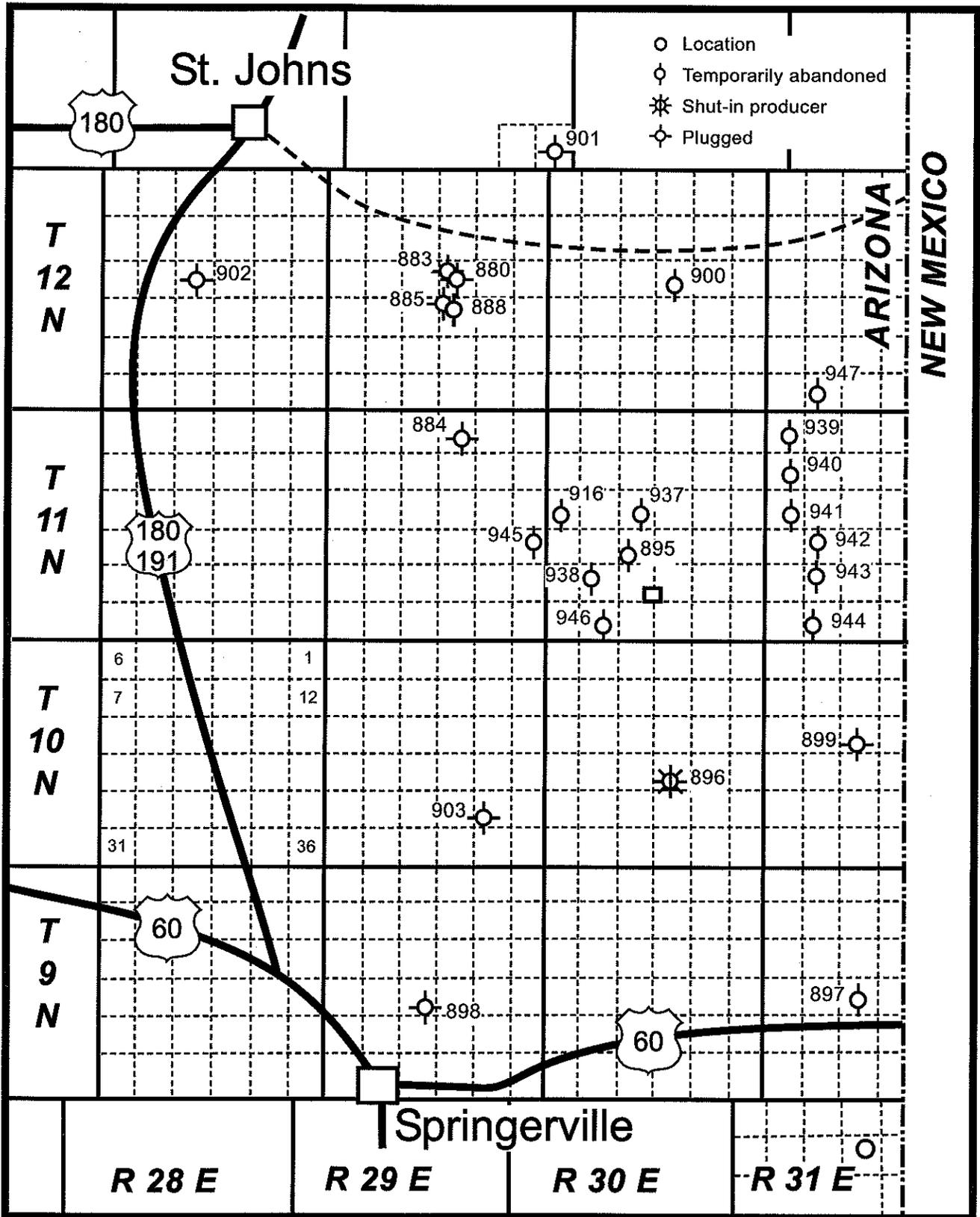
Location and status of Ridgeway Arizona Oil Corp wells in east-central Arizona

<u>Permit</u>	<u>Well</u>	<u>Location Sec-Twp-Rge</u>	<u>Total Depth</u>	<u>Status and comment</u>
880	1 Plateau Cattle	ne sw 15-12n-29e	2431 ft	Completed as gas 8/1994, plugged 9/1997
883	1A Plateau Cattle	ne sw 15-12n-29e	220 ft	Drilled 11/1994, plugged 11/1997
885	22-1 State	nw nw 22-12n-29e	218 ft	Drilled 8/1995, plugged 8/1997
884	3-1 State	ne se 3-11n-29e	1813 ft	Completed as gas 10/1995, plugged 9/2004
888	22-1X State	se nw 22-12n-29e	2149 ft	Completed as gas & shut-in 6/1997
890	35-1 State	ne sw 35-12n-29e	not drilled	Permit expired 4/1997
891	10-1 State	sw ne 10-11n-29e	not drilled	Permit expired 4/1997
892	11-1 State	se nw 11-11n-29e	not drilled	Permit expired 4/1997
893	2-1 State	se nw 2-11n-29e	not drilled	Permit expired 4/1997
895	11-21 State	ne sw 21-11n-30e	2410 ft	Drilled 3/1997, temporarily abandoned
896	10-22 State	sw sw 22-10n-30e	2265 ft	Completed as gas 7/2002; shut in 3/2004
897	9-21 State	sw ne 21-9n-31e	2686 ft	Drilled 3/1997, temporarily abandoned
898	9-22-29 State	sw se 22-9n-29e	3180 ft	Drilled 4/1997, plugged 2/2004
899	10-16-31 State	ne sw 16-10n-31e	2728 ft	Drilled 5/1997, plugged 2/2004
900	12-15-30 State	ne sw 15-12n-30e	2603 ft	Drilled 5/1997, temporarily abandoned
901	13-36-29 State	sw ne 36-13n-29e	2454 ft	Drilled & plugged 5/1997
902	12-16-28 State	nw ne 16-12n-28e	2280 ft	Drilled 5/1997, plugged 1/2005
903	10-26-29 State	nw sw 26-10n-29e	3200 ft	Drilled 5/1997, plugged 1/2000
904	15-28-29 State	ne nw 28-15n-29e	2410 ft	Drilled & plugged 6/1997
915	11-33 State	ne sw 33-11n-30e	not drilled	Permit expired 10/2004
916	11-18 State	c sw 18-11n-30e	2535 ft	Drilled 5/2004, temporarily abandoned
917	10-13 State	ne sw 13-10n-30e	not drilled	Permit expired 10/2004
937	11-16-30 State	nw se 16-11n-30 e	2377 ft	Drilled 3/2007, waiting on evaluation
938	11-29-30 State	se nw 29-10n-30 e	1906 ft	Drilled 2/2007, temporarily abandoned
939	11-06-31 State	nw se 06-11n-31 e	2711 ft	Drilled 4/2007, waiting on evaluation
940	11-07-31 State	nw se 07-11n-31 e	1885 ft	Drilled 4/2007, waiting on equipment
941	11-18-31 State	nw se 18-11n-31 e	2035 ft	Drilled 4/2007, wait on completion rig
942	11-20-31 State	se nw 20-11n-31 e	1934 ft	Drilled 5/2007, waiting on equipment
943	11-29-31 State	se nw 29-11n-31 e	1265 ft	Drilled 5/2007, waiting on equipment
944	11-32-31 State	ne sw 32-11n-31 e	2533 ft	Drilled 5/2007, wait on completion rig
945	11-24-29 State	sw ne 24-11n-29 e	1734 ft	Drilled 2/2007, temporarily abandoned
946	11-32-30 State	c se 32-11n-30 e	1690 ft	Drilled 3/2007, temporarily abandoned
947	12-32-31 State	ne sw 32-12n-31 e	85 ft	Spudded 5/2007, waiting on equipment

05/31/2007

33 permitted, 27 drilled, 17 TA

Ridgeway Arizona Oil Corporation Wells



4/27/07



AOGCC Mtg July 13, 2007

Name

Representing

Mik. Rice

State hand

Lisa Curry GRAM

SELF

~~Joe~~
~~Tom~~

Ridgeway

Dan W. Snow

self