October 21, 2016

IN THE MATTER OF APPLICATION TO:
EXCEPTION TO SPACING RULE, FILED BY:

RANGER DEVELOPMENT LLC.

ON SECTION 2, TOWNSHIP 19 NORTH RANGE 26 EAST, G&SRM
ON SECTION 33, TOWNSHIP 20 NORTH RANGE 26 EAST, G&SRM, AND
ON SECTION 34, TOWNSHIP 20 NORTH RANGE 26 EAST, G&SRM

RANGER DEVELOPMENT LLC., having filed application and notice of intention to drill three new wells on Section 2, Township 19 North, Range 26 East, Section 33, Township 20 North, Range 26 East, and Section 34, Township 20 North, Range 26 East, Gila and Salt River Base and Meridian and on Gila and Salt River Base and Meridian, all locations being in Apache County, Arizona, and having requested that an exception be made to Arizona Administrative Code R12-7-107(B) relative to the spacing of gas wells,

IT IS HEREBY ORDERED, under the provisions of Arizona Administrative Code R12-7-107(E) that a public hearing be held at the office of the Arizona Department of Environmental Quality, 1110 West Washington Street, Phoenix Arizona on the 15th November 2016, Room 3100B at the hour of 10:00 a.m. at which time and place any and all interested parties may produce evidence as to why said application should or should not be granted.

GIVEN under my hand and the seal of seal of the State of Arizona this 21st day of October, 2016.

Frank Thorwald
Chairman, Oil Gas Conservation Commission
AGENDA FOR PUBLIC HEARING FOR RANGER DEVELOPMENT LLC.

November 15, 2016
10:00 a.m., Room 3100B
Arizona Department of Environmental Quality

- Presentation by Ranger Development LLC. on justification for well spacing exceptions for Ranger 2-1, Ranger 33-2 and Ranger 34-2, including geologic and seismic data
- Justification for field name change from Pinta Dome to Mustang Dome
<table>
<thead>
<tr>
<th>Name / Organization – please print</th>
<th>email</th>
<th>phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>William Feyerabend</td>
<td><a href="mailto:bill.feyerabend@yahoo.com">bill.feyerabend@yahoo.com</a></td>
<td>928-830-0721</td>
</tr>
<tr>
<td>Rick Zeise / A.A.G.</td>
<td><a href="mailto:Rick.Zeise@ezege.com">Rick.Zeise@ezege.com</a></td>
<td>(602) 542-5555</td>
</tr>
<tr>
<td>Von Sango &amp; Co.</td>
<td><a href="mailto:vsango@cox.net">vsango@cox.net</a></td>
<td>602-132-0549</td>
</tr>
<tr>
<td>Gen Northrup</td>
<td><a href="mailto:bestme2@msn.com">bestme2@msn.com</a></td>
<td>602-694-5422</td>
</tr>
<tr>
<td>Michele Van Quathem</td>
<td><a href="mailto:mvq@mvglaw.com">mvq@mvglaw.com</a></td>
<td>602-357-7586</td>
</tr>
<tr>
<td>David Wahl - Consulting Geologist</td>
<td><a href="mailto:daweiwahl@cox.net">daweiwahl@cox.net</a></td>
<td>480-946-0559</td>
</tr>
<tr>
<td>Filip Myc - Ranger</td>
<td><a href="mailto:fmyc@twinbridgesllc.com">fmyc@twinbridgesllc.com</a></td>
<td>(303) 398-8963</td>
</tr>
<tr>
<td>Tony Hines - Ranger</td>
<td><a href="mailto:tonyhines@iaccx.com">tonyhines@iaccx.com</a></td>
<td>472-940-3210</td>
</tr>
<tr>
<td>Rust Constanucus - Ranger</td>
<td><a href="mailto:kconstanucus@comcast.net">kconstanucus@comcast.net</a></td>
<td>520-797-9575</td>
</tr>
<tr>
<td>Joe Dixon - AZ State Land</td>
<td><a href="mailto:j.dixon@az.land.gov">j.dixon@az.land.gov</a></td>
<td>602-542-2465</td>
</tr>
<tr>
<td>Nyal Meehutch</td>
<td><a href="mailto:nyal.meehutch2@gmail.com">nyal.meehutch2@gmail.com</a></td>
<td>602-266-0244</td>
</tr>
<tr>
<td>Dale Nations (via phone)</td>
<td><a href="mailto:dale.nations2@gmail.com">dale.nations2@gmail.com</a></td>
<td>520/395-0200</td>
</tr>
<tr>
<td>Name / Organization – please print</td>
<td>email</td>
<td>phone</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>FRANK THORWALD, CHAIR, OGCC</td>
<td><a href="mailto:Gank_thorwald@hotmail.com">Gank_thorwald@hotmail.com</a></td>
<td>940/230-5840</td>
</tr>
<tr>
<td>STEVE COOPER, MEMBER, OGCC</td>
<td><a href="mailto:SRC@centralaz.gov.com">SRC@centralaz.gov.com</a></td>
<td>520/836-8263</td>
</tr>
<tr>
<td>DENNIS C. TURNER, OGCC ADMIN/ADEQ</td>
<td><a href="mailto:ogcc@azdq.gov">ogcc@azdq.gov</a></td>
<td>602/771-4501</td>
</tr>
</tbody>
</table>
November 18, 2016

NOTICE OF PUBLIC HEARING CANCELATION

OIL AND GAS CONSERVATION COMMISSION

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Arizona Oil and Gas Conservation Commission (OGCC) and to the general public that the OGCC Public Hearing scheduled for Thursday, December 1, 2016 at 10:00 a.m. has been cancelled.

Consultations between counsel representing OGCC and the Arizona State Land Department (ASLD) determined that OGCC has no jurisdiction over the issues as presented.

Therefore, the hearing date is vacated. It is anticipated that this Hearing will not be rescheduled.

Dated this 18th day of November 2016

OIL AND GAS CONSERVATION COMMISSION

[Signature]

Dennis L. Turner, Oil and Gas Program Administrator
APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

NAME OF COMPANY OR OPERATOR
Ranger Development LLC, 5400 LBJ Expressway, Suite 460, Dallas TX 75240 (972) 960-3212

Drilling Contractor
not known at this time

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor
State: 13-118076

Well number
Ranger 2-1

Elevation (ground)
5754'

Nearest distance from proposed location to property or lease line:
1553' feet

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

Number of wells on lease, including this well, completed in or drilling to this reservoir:
1,997.64

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

Name
Address

all wells P&A when lease issued by State to Ranger

Well location (give footage from section lines)
1553' FNL, 1603' FWL

Section - Township - Range or Block and Survey
SECTION 2, T-19-N, R-26-E, G & SRM

Dedication per A.A.C. R12-7-104(A)(3)
637.62 acres
(all Sec. 2)

Field and reservoir (if wildcard, so state)
Pinta Dome

County
APACHE

Distance in miles and direction from nearest town or post office
S 41° W, 10 MILES FROM CHAMBERS, AZ.

Proposed depth:
985'

Rotary or cable tools
Rotary

Approximate date work will start
Upon Approval

Bond status
$25,000 on file

Organization Report
On file

Filing Fee of $25.00

Amount
Yes

Yes

Attached

Remarks

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Consultant of the
Ranger Development, 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
Brian Wood
9-29-16
brian@permitswest.com

Mail completed form to:
Oil and Gas Program Administrator
Arizona Geological Survey
415 W. Congress, 9100
Tucson, AZ 85701-1313

Permit Number:

Approval Date:

Approved By:

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

5/96 (Complete Reverse Side)
1. Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.

2. A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.

3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.

4. Is the operator the only owner in the dedicated acreage outlined on the plat below?  **YES X NO**

5. If the answer to question four is no, have the interests of all owners been consolidated by communization agreement or otherwise?  **YES NO**  If answer is yes, give type of consolidation.

6. If the answer to question four is no, list all the owners and their respective interests below:

<table>
<thead>
<tr>
<th>Owner</th>
<th>Land Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

RANGER 2 -1  
LAT: 35.0779629° N  
LONG: 109.5535418° W  
NAD 83

SECTION 2, TOWNSHIP 19 NORTH  
RANGE 26 EAST  
GILA & SALT RIVER MERIDIAN

---

CERTIFICATION
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Brian Wood  
Consultant

Ranger Development, LLC  
Date 9-29-16  
(505) 466-8120

I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

MICHAEL C. LOCK  
Date Signed 8-30-16

PROPOSED CASING PROGRAM

<table>
<thead>
<tr>
<th>Size of Casing</th>
<th>Weight</th>
<th>Grade &amp; Type</th>
<th>Top</th>
<th>Bottom</th>
<th>Cementing Depths</th>
<th>Sacks Cement</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.625&quot; in 11&quot;</td>
<td>23</td>
<td>J-55</td>
<td>GL</td>
<td>500'</td>
<td>GL - 500'</td>
<td>405 sx</td>
<td>Class G</td>
</tr>
<tr>
<td>5.5&quot; in 7.875&quot;</td>
<td>15.5</td>
<td>J-55</td>
<td>GL</td>
<td>940'</td>
<td>GL - 940'</td>
<td>145 sx</td>
<td>Prem. Light</td>
</tr>
<tr>
<td>4.75&quot; OH</td>
<td>N/A</td>
<td>N/A</td>
<td>940'</td>
<td>985'</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
1. ESTIMATED TOPS

<table>
<thead>
<tr>
<th>Formation</th>
<th>TVD</th>
<th>Subsea</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinle</td>
<td>000'</td>
<td>5754'</td>
</tr>
<tr>
<td>Shinarump Fm</td>
<td>690'</td>
<td>5064'</td>
</tr>
<tr>
<td>Moenkopi</td>
<td>820'</td>
<td>4934'</td>
</tr>
<tr>
<td>Coconino</td>
<td>947'</td>
<td>4807'</td>
</tr>
<tr>
<td>TD</td>
<td>985'</td>
<td>4769'</td>
</tr>
</tbody>
</table>

2. NOTABLE ZONES

Water could be found in the Chinle from ≈348’ to ≈363’. Primary goal is the Coconino. Secondary goal is the Shinarump.

3. PRESSURE CONTROL

A 2000-psi BOP stack and choke system will be used. See attached typical diagram.

4. MUD PROGRAM

Hole will be drilled with mud to just above the Coconino. Coconino will be drilled with air. Mud and pit will comply with Arizona rule R12-7-108. A diversion ditch will be built on the uphill side of the pad.

5. CORES, TESTS, & LOGS

No coring is planned. FDC-CN1, sonic, resistivity, SP gamma ray, and caliper logs are planned.
6. **DOWN HOLE CONDITIONS**

No H₂S or abnormal high pressure or temperature is expected. In fact, the Coconino is expected to be under-pressured.

7. **OTHER INFORMATION**

The anticipated spud date is upon approval. It is expected it will take ≈1 week to drill the well.
Well Control Equipment Schematic for 2M Service

Typical BOP setup

Date: July 1, 2014
By: John Thompson (Welsh E&P)

Rotating Head (optional)

Fill Line

Mud Flow to Pit

Double Ram Preventer

Drilling Spool

Choke line to Manifold (2" Min)

Ground Level

Casing Head

Bell Plug

Bell Velve 2000 psi WP

Surface Casing

Production Casing

Choke & Kill Manifold

Positive Choke

2" Minimum Size

Bypass to Steel Pit (Optional)

From BOP Stack

2" Minimum Size

Pressure Gauge

2" Minimum Size

Straight-thru to Tank or Pit

Working Pressure for all equipment is 2,000 psi or greater

Adjustable Choke

2" Minimum Size

To Tank or Pit
Ranger Development, LLC
ACCESS EASEMENT
SECTIONS 2 & 3, T-19-N, R-26-E,
GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA

Fd. Bc.
1987 BLM

34
35

BASIS OF BEARING
S 89°56'02" W - 2642.37'

N 00°37'19" W
1979.31'

Fd. Bc.
1987 BLM

LOT 67
LOT 66

LOT 68
LOT 65

DAVID
SHAPIRO

STATE
TRUST

LOT 69
LOT 64

LOT 70
LOT 63

15+23.18 E.O.L. ON
RANGER 2-1 WELLPAD
N 73°04'38" E - 582.68'
9440.50 ± 4°13'00" LT.
N 77°17'38" E - 463.52'
5+62.21 DRAINAGE (1'D X 3'W)
4+76.98 ± 4°10'59" LT.
N 81°28'37" E - 475.63'
0+01.35 SECTION/PROPERTY LINE (CALC)
N 81°28'37" E - 1.35'
0+00 = P.O.T. ON
EDGE OF EXISTING ROAD

OWNER
STATION
FEET/RODS

DAVID SHAPIRO
0+00 TO 0+01.35
1.35/0.082

STATE TRUST
0+01.35 TO 15+23.18
1521.83/92.232

Ranger Development, LLC
SURVEYED: 08/30/16
REV. DATE:
APP. BY M.C.L.
DRAWN BY: V.C.
DATE DRAWN: 09/07/16
FILE NAME: 11055A03

UNITED
FIELD SERVICES INC.
P.O. BOX 3651
FARMINGTON, NM 87409
OFFICE: (505) 334-0408

NOTES:
1. BASIS OF BEARING: AS MEASURED BETWEEN THE NORTH QUARTER CORNER & THE NORTHWEST CORNER OF
   SECTION 2, T-19-N, R-26-E, GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA.
   BEAR: S 89°56'02" W - 2642.37'

2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE ARIZONA COORDINATE SYSTEM, EAST ZONE, NAD 83
   IN INTERNATIONAL FEET.

SURVEYOR'S CERTIFICATION
I HEREBY CERTIFY THAT THIS PLAT REPRESENTS A SURVEY PERFORMED BY
BY ME OR UNDER MY SUPERVISION AND THAT IT ACCURATELY REPRESENTS SAID
SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

MICHAEL C. LOCK
DATE SIGNED 9-20-16

MICHAEL C. LOCK, R.L.S. 161902

EXPIRES 6-30-19

0 500 1000
SCALE: 1" = 1000'

[Diagram]

[Owner's Signatures]
**APPLICATION FOR PERMIT TO DRILL OR RE-ENTER**

**APPLICATION TO DRILL ✓**

**NAME OF COMPANY OR OPERATOR**
Ranger Development LLC, 5400 LBJ Expressway, Suite 1020, Dallas TX 75240 (972) 960-3212

**Drilling Contractor**
not known at this time

**DESCRIPTION OF WELL AND LEASE**

<table>
<thead>
<tr>
<th>Well number</th>
<th>Ranger 33-2</th>
<th>Elevation (ground)</th>
<th>5723'</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nearest distance from proposed location to property or lease line:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1549 feet</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1164 feet</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of acres in lease</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>642.5 ACRES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of wells on lease, including this well, completed in or drilling to this reservoir:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 (1 gas + P&amp;A)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Pap &amp; Pop Family, Ltd.: 10303 Burgoyne, Houston TX 77042</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>P&amp;A well only @ purchase</td>
<td>3MKJ, L. P.: 4017 15th St., Lubbock TX 79416</td>
<td></td>
</tr>
<tr>
<td>Well location (give footage from section lines)</td>
<td>Section - Township - Range or Block and Survey</td>
<td></td>
</tr>
<tr>
<td>1941' FNL- 1549' FEL</td>
<td>SEC. 33, T-20-N, R-26-E, G &amp; SRM</td>
<td></td>
</tr>
<tr>
<td>Field and reservoir (if wildcat, so state)</td>
<td>County</td>
<td></td>
</tr>
<tr>
<td>Pinta Dome</td>
<td>APACHE</td>
<td></td>
</tr>
</tbody>
</table>

**Distance in miles and direction from nearest town or post office**
S 50°W, 11 MILES FROM CHAMBERS, AZ

<table>
<thead>
<tr>
<th>Proposed depth:</th>
<th>985'</th>
<th></th>
<th>On Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rotary or cable tools</td>
<td>Rotary</td>
<td>Organization Report</td>
<td>Filing Fee of $25.00</td>
</tr>
<tr>
<td>Bond status filed &amp; $25,000</td>
<td></td>
<td>On file</td>
<td>Attached</td>
</tr>
</tbody>
</table>

**CERTIFICATE:** I, the undersigned, under the penalty of perjury, state that I am the (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.

**Consultant**
Brian Wood
(505) 468-8120
brian@permitswest.com

**Signature**
Brian Wood
10-4-16

**STATE OF ARIZONA**

**OIL & GAS CONSERVATION COMMISSION**

Application to Drill or Re-enter
File Two Copies

Form No. 3
1. Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.

2. A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.

3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.

4. Is the operator the only owner in the dedicated acreage outlined on the plat below?  YES [X]  NO ______

5. If the answer to question four is no, have the interests of all owners been consolidated by communization agreement or otherwise?  YES ______ NO ______ If answer is yes, give type of consolidation __________________________

6. If the answer to question four is no, list all the owners and their respective interests below:

<table>
<thead>
<tr>
<th>Owner</th>
<th>Land Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brian Wood</td>
<td></td>
</tr>
<tr>
<td>Consultant</td>
<td></td>
</tr>
<tr>
<td>Ranger Development, LLC</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>10-4-16</td>
</tr>
<tr>
<td>Phone</td>
<td>(505) 466-8120</td>
</tr>
</tbody>
</table>

CERTIFICATION

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Name: Brian Wood
Position: Consultant
Ranger Development, LLC
Date: 10-4-16
(505) 466-8120

I hereby certify that the well location shown on the plot was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: 8-30-16
Registered Land Surveyor: 
Certificate No: 

PROPOSED CASING PROGRAM

<table>
<thead>
<tr>
<th>Size of Casing</th>
<th>Weight</th>
<th>Grade &amp; Type</th>
<th>Top</th>
<th>Bottom</th>
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<th>Sacks Cement</th>
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</tr>
<tr>
<td>5.5&quot; in 7.875&quot;</td>
<td>15.5</td>
<td>J-55</td>
<td>GL</td>
<td>940'</td>
<td>GL - 940'</td>
<td>85 sx</td>
<td>prem. light</td>
</tr>
<tr>
<td>4.75&quot; OH</td>
<td>N/A</td>
<td>N/A</td>
<td>940'</td>
<td>985'</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

SECTION 33, TOWNSHIP 20 NORTH
RANGE 26 EAST
GILA & SALT RIVER MERIDIAN
1. ESTIMATED TOPS

<table>
<thead>
<tr>
<th>Formation</th>
<th>TVD</th>
<th>Subsea</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinle</td>
<td>000'</td>
<td>5723'</td>
</tr>
<tr>
<td>Shinarump Fm</td>
<td>656'</td>
<td>5067'</td>
</tr>
<tr>
<td>Moenkopi</td>
<td>774'</td>
<td>4949'</td>
</tr>
<tr>
<td>Coconino</td>
<td>905'</td>
<td>4817'</td>
</tr>
<tr>
<td>TD</td>
<td>985'</td>
<td>4738'</td>
</tr>
</tbody>
</table>

2. NOTABLE ZONES

Water could be found in the Chinle from \(\approx 290'\) to \(\approx 410'\), though none were found in the Ranger 33-1 (1164' south). Primary goal is the Coconino. Secondary goal is the Shinarump.

3. PRESSURE CONTROL

A 2000-psi BOP stack and choke system will be used. See attached typical diagram.

4. MUD PROGRAM

Hole will be drilled with mud to just above the Coconino. Coconino will be drilled with air. Mud and pit will comply with Arizona rule R12-7-108. A diversion ditch will be built on the uphill side of the pad.

5. CORES, TESTS, & LOGS

No coring is planned. FDC-CNL, sonic, resistivity, SP gamma ray, and caliper logs are planned.
6. DOWN HOLE CONDITIONS

No H₂S or abnormal high pressure or temperature is expected. In fact, the Coconino is expected to be under-pressured.

7. OTHER INFORMATION

The anticipated spud date is upon approval. It is expected it will take ≈1 week to drill the well.
Ranger Development, LLC
ACCESS EASEMENT
LOTS 93, 94 & 95 OF ROLLING HILLS RANCH SUBDIVISION
IN SECTION 33, T-20-N, R-26-E,
GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA

NOTES:
1. BASIS OF BEARING: MONUMENTED SOUTH LINE OF THE SE 1/4 OF SECTION 33, T-20-N, R-26-E,
GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA.
BEARS IN 87°01'23" W = 2756.89'
2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE ARIZONA COORDINATE SYSTEM, EAST ZONE, AND 83
INTL. SYSTEM OF FEET.

SURVEYOR'S CERTIFICATION
I HEREBY CERTIFY THAT THIS PLAT REPRESENTS A SURVEY PERFORMED BY
ME OR UNDER MY SUPERVISION AND THAT IT ACCURATELY REPRESENTS
SAID SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

MICHAEL C. LOCK, R.L.S. 761802
DATE 10-4-16

OWNER | STATION | FEET/RODS
-------|---------|----------
DAVID SHAPIRO | 0+00 TO 7+70.65 | 770.65 / 46.706

Ranger Development, LLC

SURVEYED: 08/30/16
REV. DATE: APP. BY: M.C.L.
DRAWN BY: C.B. DATE DRAWN: 09/22/16 FILE NAME: 11054402

UNITED
FIELD SERVICES INC.
P.O. BOX 3851
FARMINGTON, NM 87409
OFFICE: (505) 334-0408
APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL ✓ RE-ENTER OLD WELL □

NAME OF COMPANY OR OPERATOR
Ranger Development LLC, 5400 LBJ Expressway, Suite 460, Dallas TX 75240  (972) 960-3212

Address
City
State
Phone Number

Drilling Contractor: not known at this time

Address

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor
State: 13-118076

Well number
Ranger 34-2

Elevation (ground) 5742'

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

Number of acres in lease
1,997.64

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

If lease purchased with one or more wells drilled, from whom purchased:
Name
Address

all wells P&A when lease issued by State to Ranger

Well location (give footage from section lines)
2264' FNL- 855' FEL

Section - Township - Range or Block and Survey
SEC. 34, T-20-N, R-26-E, G & SRM

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

640 acres (all Sec. 34)

Field and reservoir (if wildcat, so state)
Pinta Dome

County
APACHE

Distance in miles and direction from nearest town or post office
S 44° W, 10 MILES FROM CHAMBERS, AZ

Proposed depth
985'

Rotary or cable tools
Rotary

Organization Report
Yes

Approximate date work will start
Upon Approval

Filing Fee of $25.00

Bond status
$25,000 on file

Amount Attached

Remarks

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the:

Consultant
Ranger Development, LLC

of the

(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
Brian Wood

(505) 466-8120
9-29-16
brian@permitswest.com

Permit Number:

Approval Date:

Approved By:

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

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

<table>
<thead>
<tr>
<th>Owner</th>
<th>Land Description</th>
</tr>
</thead>
</table>

CERTIFICATION

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Name
Brian Wood
Position
Consultant
Company
Ranger Development, LLC
Date
9-29-16
(505) 466-8120

PROPOSED CASING PROGRAM

<table>
<thead>
<tr>
<th>Size of Casing</th>
<th>Weight</th>
<th>Grade &amp; Type</th>
<th>Top</th>
<th>Bottom</th>
<th>Cementing Depths</th>
<th>Sacks Cement</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.625&quot; in 11&quot;</td>
<td>23</td>
<td>J-55</td>
<td>GL</td>
<td>500'</td>
<td>GL - 500'</td>
<td>405 sx</td>
<td>Class G</td>
</tr>
<tr>
<td>5.5&quot; in 7.875&quot;</td>
<td>15.5</td>
<td>J-55</td>
<td>GL</td>
<td>940'</td>
<td>GL - 940'</td>
<td>145 sx</td>
<td>Prem. Light</td>
</tr>
<tr>
<td>4.75&quot; OH</td>
<td>N/A</td>
<td>N/A</td>
<td>GL</td>
<td>985'</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
1. ESTIMATED TOPS

<table>
<thead>
<tr>
<th>Formation</th>
<th>TVD</th>
<th>Subsea</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinle</td>
<td>000’</td>
<td>5742’</td>
</tr>
<tr>
<td>Shinarump Fm</td>
<td>683’</td>
<td>5059’</td>
</tr>
<tr>
<td>Moenkopi</td>
<td>810’</td>
<td>4932’</td>
</tr>
<tr>
<td>Coconino</td>
<td>935’</td>
<td>4807’</td>
</tr>
<tr>
<td>TD</td>
<td>985’</td>
<td>4757’</td>
</tr>
</tbody>
</table>

2. NOTABLE ZONES

Water could be found in the Chinle at ≈301’, ≈456’, ≈576’, and ≈624’. Primary goal is the Coconino. Secondary goal is the Shinarump.

3. PRESSURE CONTROL

A 2000-psi BOP stack and choke system will be used. See attached typical diagram.

4. MUD PROGRAM

Hole will be drilled with mud to just above the Coconino. Coconino will be drilled with air. Mud and pit will comply with Arizona rule R12-7-108. A diversion ditch will be built on the uphill side of the pad.

5. CORES, TESTS, & LOGS

No coring is planned. FDC-CNL, sonic, resistivity, SP gamma ray, and caliper logs are planned.
6. **DOWN HOLE CONDITIONS**

No H$_2$S or abnormal high pressure or temperature is expected. In fact, the Coconino is expected to be under-pressured.

7. **OTHER INFORMATION**

The anticipated spud date is upon approval. It is expected it will take $\approx$1 week to drill the well.
Well Control Equipment Schematic for 2M Service

Typical BOP setup

Date: July 1, 2014
By: John Thompson (Walsh E&P)

BOP Stack

Fill Line → Mud Flow to Pit

Rotating Head (optional)

Double Ram Preventer

Drilling Spool

Casing Head

Bull Plug

Ball Valve 2000 psi max

Surface Casing

Production Casing

Choke line to Manifold (2" Min) → Ground Level

Choke & Kill Manifold

From BOP Stack

Positive Chokes

2" Minimum Size

Pressure Gauge

Bypass to Steel Pit (Optional)

2" Minimum Size

Straight-thru to Tank or Pit

Working Pressure for all equipment is 2,000 psi or greater

Adjustable Choke

2" Minimum Size

To Tank or Pit

2" Minimum Size
Ranger Development, LLC
ACCESS EASEMENT
SECTION 34, T-20-N, R-26-E,
GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA

DETAIL
SCALE: 1"=100'

0+00 = P.O.T. ON
EDGE OF EXISTING ROAD
S 33°17'48" E - 72.71'
0+72.71 E.O.L. ON
RANGER 34-2 WELLPAD

SEE DETAIL

STATE TRUST

BASIS OF BEARING
S 27°30'18" W
3609.89'

S 16°37'33" E
3209.09'

NOTES:
1. BASIS OF BEARING: MONUMENTED SOUTH LINE OF THE SE 1/4 OF SECTION 34, T-20-N, R-26-E, GILA AND SALT RIVER MERIDIAN, APACHE COUNTY, ARIZONA.
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MICHAEL C. LOCK, R.L.P. #61902

OWNER
STATE
STATION
FEET/RODS

STATE TRUST
0+00 TO 0+72.71
72.71 / 4.407

Ranger Development, LLC
SURVEYED: 08/30/16
REV. DATE:
APP. BY M.C.L.
DRAWN BY: H.J.
DATE DRAWN: 09/09/16
FILE NAME: 11104401

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