



APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

RARE EARTH EXPLORATION, LLC

Address City State Phone Number

1111 Beltline Rd. Suite 200 Garland Texas 469-480-3141

Drilling Contractor Willis Drilling & Pump - Surface Hole / Hurricane Air and Swabbing

Address 1351 S. Main St. Snowflake, AZ 85937 / 5949 U.S. Hwy 64, Farmington, NM 87402

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor 13-119683 Well number 28-1 Elevation (ground) 5956'

Nearest distance from proposed location to property or lease line: 2668 feet Distance from proposed location to nearest drilling, completed or applied-for well on the same lease: N/A feet

Number of acres in lease 640 Number of wells on lease, including this well, completed in or drilling to this reservoir: 0

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

Well location (give footage from section lines) 2625' FSL - 2668' FWL Section - Township - Range or Block and Survey SEC. 28, T-15-N, R-18-E, G & SRM Dedication per A.A.C. R12-7-104(A)(3) All

Field and reservoir (if wildcat, so state) Wildcat County NAVAJO

Distance in miles and direction from nearest town or post office S 44° W, 23 MILES FROM HOLBROOK, AZ

Proposed depth: 1,875' Rotary or cable tools Rotary Approximate date work will start 3-28-18

Bond status Amount \$10,000.00 Organization Report On file Or attached X Filing Fee of \$25.00 Attached Yes

Remarks

PLACE ID# 166972 API# 02-017-2018

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: President of the Rare Earth Exploration, 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.

Mail completed form to: Oil and Gas Program Administrator Arizona Department of Environmental Quality 1110 W. Washington Street Phoenix, AZ 85007

Signature [Signature] Date 3-7-18

e-mail completed form to: ogcc@azdeq.gov 1224/70454

Permit / LTF No.: 1223/70404-DLT Approval Date: March 19, 2018 Approved By: [Signature]

STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Application to Drill or Re-enter File two copies: one by mail, one electronically

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

Form No. 3

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

Owner	Land Description
<p>SECTION 28, TOWNSHIP 15 NORTH RANGE 18 EAST GILA & SALT RIVER MERIDIAN</p> <p>RARE EARTH #28-1 LAT: 34.6636326° N LONG: 110.4407514° W NAD 83</p>	
<p>2668'</p> <p>2625'</p> <p>2640'</p> <p>2675.43'</p> <p>2676.66'</p> <p>2611.83'</p> <p>2730.54' (CALC.)</p> <p>5375.92' (CALC.)</p>	
<p>0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0</p>	
<p>CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p>	
Name Brad Haycraft	
Position President	
Company Rare Earth Exploration, llc	
Date 3-7-18	
<p>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.</p>	
Date Surveyed DEC. 7, 2017	
Registered Land Surveyor	
Certificate No. 61902	

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
7"	23 lb	J55	GL	600'	GL-545'	95 sx	Prem Lite
4.5"	11.6 lb	J55	GL	1,875'	545' - 1,875'	81 sx	Prem Lite

ARIZONA OIL and GAS CONSERVATION COMMISSION



State of Arizona
Oil and Gas Conservation Commission

1110 W. Washington Street, Phoenix, AZ 85007

602-771-4501

www.azogcc.az.gov

Dennis L. Turner, Oil and Gas Administrator

Commissioners:

Frank Thorwald, Chair
Robert L. Wagner, Vice Chair
Stephen R. Cooper
William C. Feyerabend
J. Dale Nations, Ph.D.

**CERTIFICATE for PERMIT to DRILL an
OIL, GAS, INJECTION or GEOTHERMAL WELL**
PERMIT / LTF NUMBER 1224/70454

Has been issued to **Rare Earth Exploration, LLC**

to drill a well known as **Rare Earth Exploration 28-1 (State13-119683)**

located **2668 FEL 2625 FSL**

in Section **28** Township **15N** Range **18 E**, **Navajo** County, Arizona

The **640** acres of said Section, Township and Range is dedicated to this well.

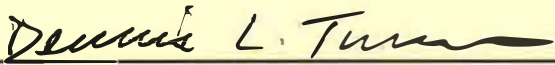
Said well shall be drilled substantially as described in the Application and as approved by the OGCC's letter dated **March 16, 2018**. **Rare Earth Exploration, LLC** is subject to terms and conditions of the permit to drill and all applicable Arizona Revised Statutes (A.R.S.) Title 27, Chap. 4, Art. 1 and 4, and the Arizona Administrative Code (A.A.C.) R12-7-104, R12-7-106 to 107 and R12-7-175 to 176.

API No.: **02-017-20118**

Issued: **March 19, 2018**

Expires*: **September 15, 2018**

*The permit to drill expires if operations are not commenced within 180 days from date of this certificate (see A.A.C R12-7-104(D))


Dennis L. Turner, Oil & Gas Program Administrator
(602)771-4501

**OPERATOR SHALL DISPLAY THIS CERTIFICATE
IN A CONSPICUOUS PLACE ON-SITE**