

CTS 392611

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

INJECTION WELL

OIL GAS CO2 HELIUM WELL OTHER _____

NAME OF COMPANY OR OPERATOR

THE COBALT GROUP, LLC

Address City State Phone Number

PO Box 911900 St. George Utah 84791 800.337.0027

Drilling Contractor

Currently Undecided

Address

DESCRIPTION OF WELL AND LEASE

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

Fee Lease - Sample

Well number

Cobalt 20-21-21-1

Elevation (ground)

5230'

Nearest distance from proposed location to property or lease line:

879

feet

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

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

Address

Well location (give footage from section lines)

879 FNL 2553 FWL

Section - Township - Range or Block and Survey

SEC. 21, T - 20N, R - 21 E, G & SRM

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

all of Sec. 21 - 20N 21E

Field and reservoir (if wildcat, so state)

Wildcat

County

Navajo

Distance in miles and direction from nearest town or post office

10.60 miles from Exit 292 IH 40

Proposed depth:

5000'

Rotary or cable tools

Rotary

Approximate date work will start

Upon Approval

Bond status

On File

Organization Report

Filing Fee of \$25.00

Amount

\$25,000

On file

Or attached X

Attached X

Remarks

The Cobalt Group, LLC controls 100% of all adjoining leases. This area is considered wildcat. No other offset Operators exist to this well.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Vice President of the THE COBALT GROUP, 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 Oil & Gas Conservation Commission
c/o Arizona Department of Environmental Quality
1110 W. Washington Street
Phoenix, AZ 85007

Signature

Date

9/19/2019

e-mail completed form to: azogcc@azdeq.gov

Permit No.: 1242

Approval Date: October 3, 2019

Approved By: Dennis L. Turner

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

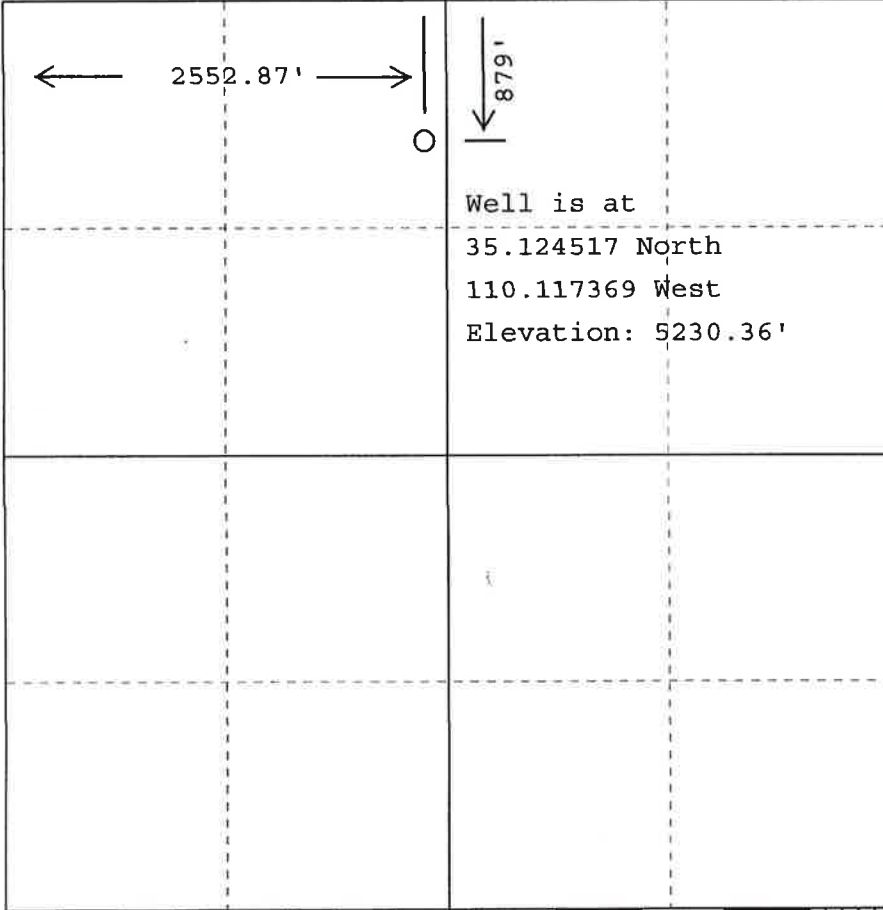
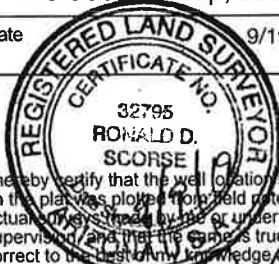
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter

File two copies: one by mail, one electronically

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 XX 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 The Cobalt Group, LLC	Land Description Section 21, Township 20 North, Range 21 East, Navajo County, AZ
 <p style="text-align: center;">Well is at 35.124517 North 110.117369 West Elevation: 5230.36'</p>	<p style="text-align: center;">CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p style="text-align: center;"><i>Scott Bowles</i></p> <p>Name Scott Bowles</p> <p>Position Vice President</p> <p>Company The Cobalt Group, LLC</p> <p>Date 9/19/2019</p> <div style="text-align: center;">  </div> <p>I hereby certify that the well location shown on the plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p style="text-align: center;"><i>Ronald D. Scorse</i></p> <p>Expires 9/30/19</p> <p>Date Surveyed 9/17/2019</p> <p>Registered Land Surveyor Ronald D Scorse</p> <p>Certificate No. RLS#32795</p>

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
13 3/8"	48#	H-40	GL	80'	GL-80'	48 sks	Ready Mix
9 5/8"	36#	J-55	GL	800'	GL-800'	116 sks	Prem. Light
7"	20#	J-55	GL	2000'	GL-2000'	139 sks	Prem. Light
4 1/2"	9.5#	J-55	GL	5000'	GL-5000'	236 sks	Prem. Light

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

J. Dale Nations, Ph.D., Vice Chair

Stephen R. Cooper

William C. Feyerabend

CERTIFICATE for PERMIT to DRILL an OIL, GAS, INJECTION or GEOTHERMAL WELL

PERMIT NUMBER 1242

Has been issued to **The Cobalt Group, LLC**

to drill a well known as **Cobalt 20-21-21 #1 Fee Sample**

located **2553 FWL 879 FNL**

Section **21** Township **20N** Range **21E**, Navajo County, Arizona, G & SR M.

The entirety (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 and restricted by the AOGCC's letter dated October 4, 2019. **The Cobalt Group, 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 120 and R12-7-175 to 176.

Total depth: 5,000 feet

Approval date: October 3, 2019

API No.: 02-017-20129

Expires*: March 31, 2020

*The permit to drill expires if operations are not commenced within 180 days from date of approval (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**