APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL [ ] RE-ENTER OLD WELL [ ] INJECTION WELL [ ]

X_ OIL X_ GAS ___ CO2 X_ HELIUM WELL OTHER________

NAME OF COMPANY OR OPERATOR

Desert Mountain Energy Corp

Address City State Phone Number

6300 W. 23 ST. N. Muskogee ok 74401 918-7527020

Drilling Contractor

To be determined

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor
13-120075

Well number Elevation (ground)
10-1 5269.1

Nearest distance from proposed location to property or lease line:
1,230' feet

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:
Arkla #7 PA 1965 2725 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.

Well location (give footage from section lines)
1-245 EML 1-280 FNL

Section - Township - Range or Block and Survey
S10 T15N 23E, G&SRM

Field and reservoir (if wildcard, so state)

Wildcat

County

Navajo

Distance in miles and direction from nearest town or post office
845deg E. 8.9 miles from Woodruff, AZ

Proposed depth:
2,790'

Rotary or cable tools
Air / mist

Organization Report

Approximate date work will start
June 1, 2020

Bond status
Amount
$25,000

Remarks

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Executive VP of the Desert Mountain Energy Corp (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

e-mail completed form to: azogpcc@azedq.gov

Permit / LTF No.: 1250/ 82385

Approval Date: May 15, 2020

Approved By: Delores L. Teas

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

(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>Desert Mountain Energy Corp.</td>
<td>All of ___, Section 10, T15N, R23E</td>
</tr>
<tr>
<td>State #10-1</td>
<td>G2R0:B1 M NAVAJ0 COUNTY, AZ</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: Robert L. Roddy
Position: Exec. V.P.
Company: Desert Mountain Energy Corp.
Date: 11-22-20

**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>7&quot;</td>
<td>20#</td>
<td>J-55</td>
<td>GL</td>
<td>680'</td>
<td>680'-GL</td>
<td>150</td>
<td>Prem</td>
</tr>
<tr>
<td>4.5&quot;</td>
<td>11.6#</td>
<td>GL</td>
<td>2,750'</td>
<td>2,750'-GL</td>
<td>155</td>
<td>Prem</td>
<td></td>
</tr>
</tbody>
</table>
CERTIFICATE for PERMIT to DRILL an
OIL, GAS, INJECTION or GEOTHERMAL WELL

PERMIT / LTF NUMBER  1250 LTF #82385

Has been issued to  Desert Mountain Energy Corp.
to drill a well known as  Desert Mountain 10-1 State
located  1245 FWL  1780 FNL

Section  10 Township  15N  Range  23E,  Navajo County, Arizona.

The entirety of Sec 10, T10N, R23E (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 May 18, 2020. Desert Mountain Energy Corp. 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:  2,790 feet  Issued:  May 15, 2020
API No.:  02-017-20130  Expires*:  November 11, 2020

*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
ogcc@azdeq.gov

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