

# 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

**Desert Mountain Energy Corp**

Address

City

State

Phone Number

**17030 W. Saguaro Park Ln.**

**Surprise**

**AZ**

**918-752-7020**

Drilling Contractor

**To be determined**

Address

## DESCRIPTION OF WELL AND LEASE

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

**McCauley**

Well number

**1-1**

Elevation (ground)

**5,545'**

Nearest distance from proposed location to property or lease line:

**1,223'**

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

**N/A**

Well location (give footage from section lines)

**2,269' FNL 1,223 FWL**

Section - Township - Range or Block and Survey

**T16N R16E Sec 1**

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

**All of sec**

Field and reservoir (if wildcat, so state)

**Wildcat**

County

**Navajo**

Distance in miles and direction from nearest town or post office

**16 miles SSE of Winslow**

Proposed depth:

**± 3,694'**

Rotary or cable tools

**Air / Mist**

Approximate date work will start

**01/24/2022**

Bond status

**on receipt by AZ**

Organization Report

Filing Fee of \$25.00

Amount

**\$25,000**

On file

**X**

Or attached

Attached

Remarks

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

**VP of Engineering**

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

*James C. Hays*  
Signature

**1/20/2022**

Date

e-mail completed form to: [azogcc@azdeq.gov](mailto:azogcc@azdeq.gov)

Permit / LTF No.: **1267/92874**

Approval Date: **1/21/2022**

Approved By: **Marta Hodan**

*Marta Hodan*

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)

03/2018

- 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 land 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 4 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\_\_\_\_\_
- 6: If the answer to question four is no, list all owners and their respective interests below.

Owner	Land Description														
	<p style="text-align: center;"><b>CERTIFICATION</b></p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Name</td> <td>Jessica Davey</td> </tr> <tr> <td>Position</td> <td>VP of Land and Director</td> </tr> <tr> <td>Company</td> <td>Desert Mountain Energy Corp.</td> </tr> <tr> <td>Date</td> <td>1/12/2022</td> </tr> </table> <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> <div style="text-align: center;"> </div> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Date Surveyed:</td> <td>Jan. 07, 2022</td> </tr> <tr> <td>Registered Land Surveyor</td> <td>Martin H. Martin, LS</td> </tr> <tr> <td>Certificate No.</td> <td>18548 (AZ)</td> </tr> </table>	Name	Jessica Davey	Position	VP of Land and Director	Company	Desert Mountain Energy Corp.	Date	1/12/2022	Date Surveyed:	Jan. 07, 2022	Registered Land Surveyor	Martin H. Martin, LS	Certificate No.	18548 (AZ)
Name	Jessica Davey														
Position	VP of Land and Director														
Company	Desert Mountain Energy Corp.														
Date	1/12/2022														
Date Surveyed:	Jan. 07, 2022														
Registered Land Surveyor	Martin H. Martin, LS														
Certificate No.	18548 (AZ)														

**PROPOSED CASING PROGRAM**

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks of Cement	Type
9-5/8"	40#	J-55 Csg	Surf	1,050'	Surf - 800'	480 sxs	Perm
7"	23#	J-55 Csg	Surf	1,750'	Surf - 1,750'	275 sxs	Perm
4-1/2"	11.6#	J-55 Csg	Surf	3,684'	1,650' - 3,684'	274 sxs	Perm

# 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](http://www.azogcc.az.gov)

Marta Hodan, 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 / LTF NUMBER      1267 LTF #92874**

Has been issued to      **Desert Mountain Energy Corp.**

to drill a well known as      **DME McCauley 1-1**

located      **1223 FWL   2269 FNL**

Section **01** Township **16N** Range **16E**, **Navajo** County, Arizona.

The entirety of Sec 01, T16N, R16E (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 January 21, 2022. **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:      3,694 feet

Issued:      January 21, 2022

API No.:      02-017-20134

Expires\*:      July 20, 2022

\*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))

Marta Hodan, Oil & Gas Program Administrator

[ogcc@azdeq.gov](mailto:ogcc@azdeq.gov)

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