

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 Pk. 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 3-1	Elevation (ground) 5,550'
Nearest distance from proposed location to property or lease line: 1,576' 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) 1,808' FNL & 1,576' FEL	Section - Township - Range or Block and Survey T16N R16E Sec 3	Dedication per A.A.C. R12-7-104(A)(3) All of sec
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Field and reservoir (if wildcat, so state) Wildcat	County Navajo
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Distance in miles and direction from nearest town or post office

Proposed depth: ± 3,656'	Rotary or cable tools Air / Mist	Approximate date work will start 02/15/2022
Bond status <u>on receipt by AZ</u> Amount \$25,000	Organization Report On file <input checked="" type="checkbox"/> Or attached	Filing Fee of \$25.00 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 Hayes
 Signature

 Date **1/31/2022**

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

 Permit / LTF No.: **1269 / LTF # 93212**
 Approval Date: **February 16th, 2022**
 Approved By: 

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

1: Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-1-107

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

CERTIFICATION

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

Name: *Jessica Davey* Jessica Davey

Position: VP of Land and Director

Company: Desert Mountain Energy Corp.

Date: January 12, 2022

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.

Date Surveyed: Jan. 07, 2022

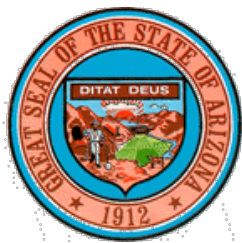
Registered Land Surveyor
Martin H. Martin, LS

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 STC	SURF	1,050'	SURF - 1050'	480	Perm
7	23#	J-55 LTC	SURF	1,650'	SURF - 1650'	253	Perm
4 1/2	11.6#	J-55 LTC	SURF	3,646'	1550' - 3646'	282	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

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 1269 LTF #93212

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

to drill a well known as **DME McCauley 3-1**

located **1808 FNL 1576 FEL**

Section **03** Township **16N** Range **16E**, **Navajo** County, Arizona.

The entirety of Sec 03, 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 February 17th, 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: 3,656 feet

Issued: February 16th, 2022

API No.: 02-017-20136

Expires*: August 15th, 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

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