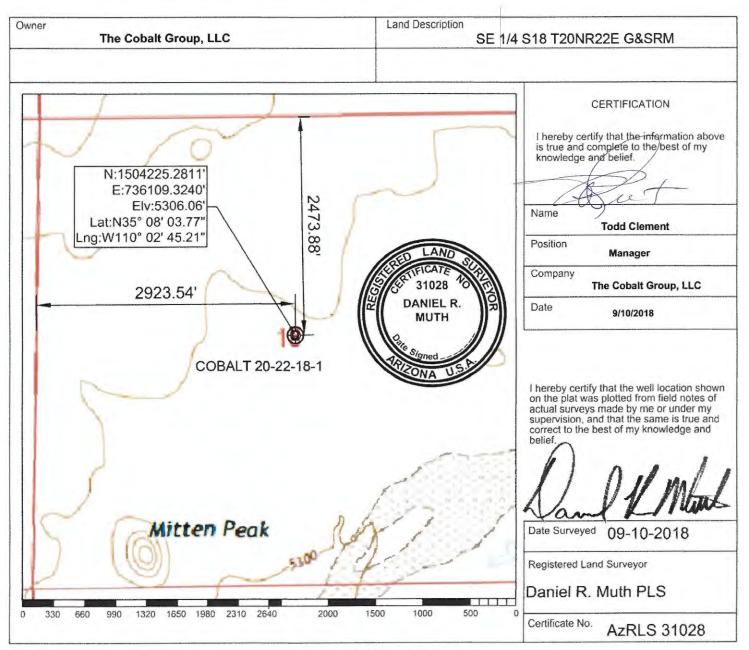
APPLICATION TO DRILL X		T TO DRILL OR	RE-ENT	ER AREO BUALITY DIVISION INJECTION WELL			
		<del></del>	18	SEP 27 PM 12: 18			
X OIL X GAS X CO2		OTHER		(REVISED)			
NAME OF COMPANY OR OPERATOR  THE COBALT GROUP, LLC				orcarected			
	City		State	Phone Number			
Address							
PO Box 911900	St. Ge	eorge Ut	tah 8479	91 800.337.0027			
Drilling Contractor   Currently undecided							
Address							
	DESCRIPTION OF	WELL AND LEASE					
Federal, State or Indian Lease Number, or if fee lease, name of lessor AZ State Land Dept. Lease 13-116895		Well number Cobalt 20-22-18-1		Elevation (ground) 5306'			
Nearest distance from proposed location to property or lease line:		Distance from proposed location to nearset drilling, completed or applied-for well on the same lease:					
			feet				
Number of acres in lease				Number of wells on lease, including this well, completed in or drilling to this reservoir:			
640	1						
If lease purchased with one or more wells Nam drilled, from whom purchased.	ne	Add	iress				
Well location (give footage from section lines)		hip - Range or Block and Surv	-	Dedication per A.A.C. R12-7-104(A)(3)			
2924' FWL - 2474' FNL Field and reservoir (if wildcat, so state)	SEC. 18, 7	Γ- 20N, R - 22E, G& County	SRM	all of Sec. 18 - 20N 22E			
Wildcat		Navajo					
Distance in miles and direction from nearest town or pos N11-45E 11.33 miles from Exit 292							
Proposed depth: 4,000'	Rotary or cable tools  Rotary		Approximate date work will start Upon Approval				
Bond status attached	Organization Report		Filing Fee of \$25.00				
Amount \$25,000	On file Or	attached X	Attached	X			
The Cobalt Group, LLC holds 10 No other offset Operators exist to		ng leases. This ar	ea is co	nsidered wildcat.			
CERTIFICATE: I, the undersigned, under the p The Cobalt Group, LLC			Manag said compa	er of the ny to make this report; and that this			
report was prepared under my supervision and o	direction and that the facts	s stated therein are true, co	orrect and co	omplete 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	,	Signature	9/10/2	018			
Phoenix, AZ 85007		Date					
e-mail completed form to: azogcc@azdeq.g	vop	I					
Permit / LTF No.: 12 30 /# 735/8		:	STATE O	F ARIZONA			
Approval Date: Sopto 27, 2018		OIL & GAS CONSERVATION COMMISSION					
Approved By: Dennie L Tan	in			Drill or Re-enter			
NOTICE: Before sending in this form be sure that you requested. Much unnecessary correspond	have given all information ence will thus be avoided.	File two cop	pies: one b	y mail, one electronically			

APPLICATI	ION FOR PERM	IIT TO DRILL OF	RE-ENT	ER		
APPLICATION TO DRILL X	RE-ENTER	OLD WELL		INJECTION WELL		
OIL GAS CO2	X HELIUM WEL	L OTHER	<del></del>	SEP 2 4 2018		
NAME OF COMPANY OR OPERATOR						
THE COBALT GROUP, LLC			R	RECEIVED		
Address	City		Slate	Phone Number		
PO Box 911900	St. G	eo <b>rge</b> l	Jtah 8479	800.337.0027		
Drilling Contractor  Currently undecided						
Address						
	DESCRIPTION OF	WELL AND LEASE		1		
Federal, State or Indian Lease Number, or if fee lease, na AZ State Land Dept. Lease 13-11689	Well number Elevation (ground) 5306'					
Nearest distance from proposed location to property or le	Distance from proposed to well on the same lease:	ocation to nearse	et drilling, completed or applied-for			
			feet			
Number of acres in lease	Number of wells on lease,	Number of wells on lease, including this well, completed in or drilling to this reservoir:				
640	1					
If lease purchased with one or more wells Nam drilled, from whom purchased.	ne	Ac	ddress	-		
Well location (give footage from section lines) 2924' FWL - 2474' FNL	ship - Range or Block and Su <b>T- 20N, R - 22E, G</b> o	Dedication per A.A.C. R12-7-104(A)(3) all of Sec. 18 - 20N 22E				
Field and reservoir (if wildcat, so state) Wildcat		County Navajo				
Distance in miles and direction from nearest town or pos N11-45E 11.33 miles from Exit 292						
Proposed depth:	Rotary or cable tools	oton	1	proximate dale work will start		
4,000'	Organization Report	otary	Filling Fee of	on Approval \$25.00		
Amount \$25,000	· ·	r attached X	Attached	X		
The Cobalt Group, LLC holds 10 No other offset Operators exist to	=	ng leases. This a	ırea is coı	nsidered wildcat.		
CERTIFICATE: I, the undersigned, under the p The Cobalt Group, LLC	(company), a	and that I am authorized b		ny to make this report; and that this		
report was prepared under my supervision and o	direction and that the fac	ts stated therein are true,	correct and co	implete to the best of my knowledge.		
Mail completed form to:   Oil and Gas Program Administrator				<del></del>		
Arizona Oil & Gas Conservation Commission c/o Arizona Department of Environmental Quality	Signature					
1110 W. Washington Street			9/10/2	018		
Phoenix, AZ 85007  e-mail completed form to: azogcc@azdeq.g	201	Date				
		T	STATE O	F ARIZONA		
Approved Date: 244 + 26, 201	STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION					
Permit / LTF No.: 1230 / #73518  Approval Date:	· ·		Application to Drill or Re-enter			
NOTICE: Before sending in this form be sure that you requested. Much unnecessary correspond			opies: one b	y mail, one electronically		
	Form No. 3					

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



## PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Тор	Bottom	Cementing Depths	Sacks Cement	Туре
13.375"	48	H-40	GL	20'	GL - 20'	14 sks	Ready mix
9.625"	36	J-55	GL	750'	GL - 750'	148 sks	Prem. Light
7"	23	J-55	GL	2500'	GL - 2500'	236 sks	Prem. Light
5 1/2"	15.5	J-55	GL	4000'	200 - 4000'	115 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 / LTF NUMBER 1230 LTF #73518

Has been issued to The Cobalt Group, LLC

to drill a well known as Cobalt 20-22-18 #1

located 2924 FWL 2474 FNL

Section 18 Township 20N Range 22E, Navajo County, Arizona.

The entirety of Sec 18, T20N, R22E (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 OGCC's letter dated <u>September 25, 2018</u>. Ranger 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: 4,000 feet Issued: September 26, 2018

API No.: 02-017-20119 Expires\*: March 25, 2019

\*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

Dennie L. Torrun

(602)771-4501

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