APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

NAME OF COMPANY OR OPERATOR
Ridgeway Arizona Oil Corp

Address | City | State | Phone Number
--- | --- | --- | ---
P 0 Box 1110 590 S White Mountain Drive | St Johns | AZ | 85936 | (928) 337-3230

Drilling Contractor
Aztec Well Servicing Co
Address | P O Box 100 Aztec, NM 87410

DESCRIPTION OF WELL AND LEASE

<table>
<thead>
<tr>
<th>Federal, State or Indian Lease Number, or if fee lease, name of lessee</th>
<th>Well number</th>
<th>Elevation (ground)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fee Lease-Prize Energy</td>
<td>11-25-30</td>
<td>7034'</td>
</tr>
</tbody>
</table>

Nearest distance from proposed location to property or lease line:

1767.2 feet

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

N/A feet

Number of acres in lease

640 acres

Number of wells on lease, including this well, completed in or drilling to this reservoir:

1

Well location (give footage from section line)

1767.2 PNL & 2285.8 FWL

Section - Township - Range or Block and Survey

S. 25, T11N R30E, G&SRM

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

640

Field and reservoir (if wildcat, so state)

St Johns Gas Unit

County

APACHE

Distance in miles and direction from nearest town or post office

From Springerville P.O. N34° 33'E 16.20 miles

Proposed depth:

2100'

Rotary or cable tools

Rotary

Organization Report

On file X

Filing Fee of $25.00

Remarks

APL # 02-001-20428

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Field Operations Manager of the Ridgeway Arizona Oil 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.

Signature

[Signature]

Date

[Date]

STATE OF ARIZONA

OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter

File Two Copies

Permit Number: 1083

Approval Date: 10-31-2011

Approved By: [Signature]

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.
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  X  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>Ridgeway Arizona Oil Corp</td>
<td>NW1/4 S.25, T11N R30E, GSRM</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Owner</th>
<th>Land Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>P.O. Box 1110 St Johns, AZ 85936</td>
<td>NW1/4 S.25, T11N R30E, GSRM</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: Thomas White

Position: Field Operations Mgr

Company: Ridgeway AZ Oil Corp

Date: 11-26-11

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.

Name: Daniel R. Muth PLS

Date Surveyed: 10/20/2011

Registered Land Surveyor: Daniel R. Muth PLS

Certificate No: Az RLS No. 31028

**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>13 3/8&quot;</td>
<td>48#</td>
<td>J55</td>
<td>surface</td>
<td>80'</td>
<td>80'</td>
<td>100</td>
<td>ready mix</td>
</tr>
<tr>
<td>9 5/8&quot;</td>
<td>36#</td>
<td>J55</td>
<td>surface</td>
<td>1100'</td>
<td>1100'</td>
<td>400</td>
<td>class C</td>
</tr>
<tr>
<td>7&quot;</td>
<td>23#</td>
<td>J55</td>
<td>surface</td>
<td>2000'</td>
<td>2000'</td>
<td>400</td>
<td>class C</td>
</tr>
</tbody>
</table>