

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

Kinder Morgan CO2 Company, L.P.

Address City State Phone Number

P O Box 1110 St Johns, AZ 928-337-3230

Drilling Contractor 505-334-8729
Aztec Well Servicing Co.

Address **P O Box 100 Aztec, NM 87410**

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor 13-119471 13-110471	Well number 11-8-29	Elevation (ground) 6579'
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Nearest distance from proposed location to property or lease line: 1093 feet	Distance from proposed location to nearest drilling, completed or applied-for well on the same lease: N/A feet
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Number of acres in lease 640 acres	Number of wells on lease, including this well, completed in or drilling to this reservoir: 1
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If lease purchased with one or more wells drilled, from whom purchased. Name Address

Well location (give footage from section lines) 1238 FSL & 1093 FEL	Section - Township - Range or Block and Survey S. 8, T11NR29E, G&SRM	Dedication per A.A.C. R12-7-104(A)(3) 640
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Field and reservoir (if wildcat, so state) St Johns Gas Unit	County APACHE
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Distance in miles and direction from nearest town or post office
From Springerville P.O. N01° 53' E 15.8 miles

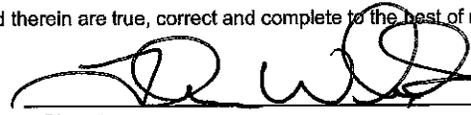
Proposed depth: 3600 +/-	Rotary or cable tools Rotary	Approximate date work will start Aug 15, 2012
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Bond status on file	Organization Report On file <input checked="" type="checkbox"/> Or attached	Filing Fee of \$25.00 Attached
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Remarks

API 02-001-20443

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: **Operations Supervisor CO2** of the **Kinder Morgan CO2 Co., L.P. SJ** (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
6-7-12

Date

Mail completed form to:
 Oil and Gas Program Administrator
 Arizona Geological Survey
 416 W. Congress, #100
 Tucson, AZ 85701-1315

Permit Number: 1118
 Approval Date: 6-25-2012
 Approved By: SL Rainey

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

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 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:

Owner Kinder Morgan CO2 Company, L.P.	Land Description SE1/4 S. 8, T11NR29E, G&SRM
P O Box 1110 St Johns, AZ 85936	
	CERTIFICATION I hereby certify that the information above is true and complete to the best of my knowledge and belief.
	Name Thomas White
	Position Operations Supv CO2
	Company Kinder Morgan CO2 Co., LP
	Date June 7, 2012
	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 05/21/2012	
Registered Land Surveyor Daniel R. Muth PLS	
Certificate No. Az RLS No. 31028	

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
13 3/8"	48#	H-40	-0-	80'	80'	100 sks	Ready Mix
9 5/8"	36#	J-55	-0-	1200'	1200'	400 sks	Class G
7"	23#	J-55	-0-	3000'	3000'	800 sks	Class G