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
P.O. Box 1110  St. Johns  AZ  85936  928.337-3230

Drilling Contractor
AZtec Drilling

DESCRIPTION OF WELL AND LEASE

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

Well number
11-21-30MRHZ

Elevation (ground)
6849.68'

Nearest distance from proposed location to property or lease line:
WELL TO EAST LINE OF LOT 197

233 feet

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

If lease purchased with one or more wells drilled, from whom purchased.

Field and reservoir (if wildcard, so state)
2355' FWL & 2151' FSL

County
APACHE

Distance in miles and direction from nearest town or post office
From Springerville P.O. N17° 44'4' 16.8 miles

Proposed depth:
3000' +/-

Rotary or cable tools
Rotary

Organization Report
On file

Amount

Or attached

Remarks
PEHL 1841' South & 782' East of surface loc
API 02-02-01-20493
See attached well plans & prog

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Operations Supervisor of the Kinder Morgan CO2 (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
Date

Mail completed form to:
Oil and Gas Program Administrator
Arizona Geologic Survey
210 W. Congress, 6100
Tucson, AZ 85701-3333

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Application to Drill or Re-enter
File Two Copies

Form No. 3

(Complete Reverse Side)
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:

<table>
<thead>
<tr>
<th>Owner</th>
<th>Land Description</th>
<th>SW1/4, S 8 T11N R30E, G&amp;SRM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>ELK VALLEY RANCH UNT 2, LOT 197</td>
</tr>
</tbody>
</table>

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>
</table>