APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL ☒ RE-ENTER OLD WELL ☐

NAME OF COMPANY OR OPERATOR

Blackstone Exploration Co., LLC

Address P.O. Box 940 Holbrook, AZ 86025

City Holbrook

State AZ

Phone Number 928-524-7786

Drilling Contractor Blackstone Exploration Co., LLC (Company tools)

Address P.O. Box 940 Holbrook, AZ 86025

City Holbrook

State AZ

Telephone 928-524-7786

DESCRIPTION OF WELL AND LEASE

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

Rocking Chair Ranch

Well number 2

Elevation (ground) 5845.0

Nearest distance from proposed location to property or lease line: 1660 feet

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

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 NA

Address NA

Well location (give footage from section lines) M80' FROM NORTH LINE & 1980 FROM EASTLINE, SEC. 13 THN R19E

Section - Township - Range or Block and Survey Sec. 13 T19N R19E

Dedication per A.A.C. R12-7-104(A)(3) 40+ac

Field and reservoir (if wildcat, so state) Wildcat

County Navajo

Distance in miles and direction from nearest town or post office 13.21 MILES N.W. FROM POST OFFICE, SNOWFLAKE, AZ

Proposed depth: 4000 feet

Rotary or cable tools Rotary

Approximate date work will start 11-01-2015

Bond status On file

Amount $25,000.00

Or attached Attached

Remarks

API 02-01-2010

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Manager of the

Blackstone Exploration Co., LLC (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

418 W. Congress, #100

Tucson, AZ 8571-1315

STATE OF ARIZONA

OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter

File Two Copies

Form No. 3 816-223-3712

(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 X 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 **N.A.**

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>Blockstone Exploration Co., LLC</td>
<td>S.W. 1/4 of N.E. 1/4 of Sec. 13 - T14N - R19E</td>
</tr>
</tbody>
</table>

**CERTIFICATION**

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

**PROPOSED CASING PROGRAM**

<table>
<thead>
<tr>
<th>Size of Casing</th>
<th>Weight</th>
<th>Grade &amp; Type</th>
<th>Top Depth</th>
<th>Bottom Depth</th>
<th>Cementing Depths</th>
<th>Sacks Cement</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>16&quot;</td>
<td>231b</td>
<td>New</td>
<td>Surface</td>
<td>40'</td>
<td>50' below base of casing Estimate: 80</td>
<td>Class A</td>
<td>60/40 PeaceMix</td>
</tr>
<tr>
<td>8 1/2&quot;</td>
<td>1551b</td>
<td>New</td>
<td>Surface</td>
<td>3950'</td>
<td>TD to cover all productive zones Estimate: 450</td>
<td>Class A</td>
<td></td>
</tr>
<tr>
<td>5 1/2&quot;</td>
<td></td>
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