

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

Blackstone Exploration Company, LLC

Address

City

State

Phone Number

P.O. Box 940

Holbrook, Arizona 86025

(428) 524-7786

Drilling Contractor

Blackstone Exploration Company, LLC

Address

P.O. Box 940, Holbrook, Arizona 86025

DESCRIPTION OF WELL AND LEASE

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

ASLD Lease No. 13-118133

Well number

5

Elevation (ground)

5834.4

Nearest distance from proposed location to property or lease line:

1,980

feet

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

NA

feet

Number of acres in lease

640

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

Address

Well location (give footage from section lines)

1980' FROM NORTH E WEST LINES SECTION 18, T14N, R20E

Section - Township - Range or Block and Survey

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

Field and reservoir (if wildcat, so state)

Wildcat

County

NAVAJO COUNTY

Distance in miles and direction from nearest town or post office

12.4 MILES N.W. OF POST OFFICE IN SNOWFLAKE, AZ

Proposed depth:

4,000'

Rotary or cable tools

Rotary

Approximate date work will start

6/1/2016

Bond status

On File

Organization Report

On file

Or attached

Filing Fee of \$25.00

Attached

Remarks

API# - 02-017-2017

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

Carson Bonasino

Date

3/15/2016

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

Permit Number: 1210

Approval Date: 3/17/2016

Approved By: *Nyah Niemi*

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

316-223-3712

- Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
- A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
- ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
- Is the operator the only owner in the dedicated acreage outlined on the plat below? YES NO
- 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 NA
- If the answer to question four is no, list all the owners and their respective interests below:

Owner: Blackstone Exploration Co., LLC	Land Description: SE 1/4 NW 1/4 SEC. 18, T14N, R20E
	<p style="text-align: center;">CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p>Name _____</p> <p>Position _____</p> <p>Company _____</p> <p>Date _____</p> <p style="text-align: center;"><i>Donald J. Loose</i></p> <p>I hereby certify that the information shown on the plat is true and correct to the best of my knowledge and belief. Made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.</p> <div style="text-align: center;"> </div> <p>Date Surveyed 26 MAY, 2015</p> <p>Registered Land Surveyor DONALD J. LOOSE</p> <p>Certificate No. AZ RLS 23379</p>

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
13 $\frac{1}{8}$ 3/8"		New	Surface	40'-120'	40'-120'	Estimate: 120	Class A
8 $\frac{1}{8}$ 5/8"	23 lb	New	Surface	650'	650' - Surface	Estimate: 450	Class A
5 $\frac{1}{2}$ "	15.5 lb	New	Surface	3,950'	TD to cover all productive zones	Estimate: 450	60/40 Pozimix