APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL ☒  RE-ENTER OLD WELL ☐

NAME OF COMPANY OR OPERATOR
Ridgeway AZ Oil Corp.  P O Box 1110 St. Johns, AZ 85936  928-337-3230

Drilling Contractor
Ridgeway AZ Oil Corp.

Address  P O Box 1110  590 S. White Mtn. Dr. St. Johns, AZ 85935

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor
13-102944

Well number
State 11-7-3(f)

Elevation (ground) 6947.7

Nearest distance from proposed location to property or lease line:
1980 feet

Distance from proposed location to nearest drilling, completed or applied-for
test well on the same lease:
none

Number of acres in lease
2443.81

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

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

Name

Address

Well location (give footage from section lines)
1980' FSL + 1980' FEL

Section - Township - Range or Block and Survey
S.7 T11N R31E

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

Field and reservoir (if wildcat, so state)
Wildcat

County
Apache

Distance in miles and direction from nearest town or post office
From Springerville P.O. N 32° 34' 50" E 19.0 miles

Proposed depth
2400' +

Rotary or cable tools rotary

Bond status on file
Organization Report

Amount $50,000.00
On file X Or attached Attached X

Remarks

API # 02-001-20333

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Field Operations Supervisor of the Ridgeway AZ 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

May 19, 2006

Permit Number: 940

Approval Date: 11-2-2006

Approved By: SC Ray

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>
</tr>
</thead>
<tbody>
<tr>
<td>Ridgeway AZ Oil Corp.</td>
<td>SE 1/4, S 7 T11N R31E G+SRM</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: 
Position: 
Company: Ridgeway AZ Oil Corp.
Date: May 19, 2006

**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>46 #</td>
<td>J 55</td>
<td>0</td>
<td>100'</td>
<td>100 - Surf.</td>
<td>130 lbs</td>
<td>Class C</td>
</tr>
<tr>
<td>8 5/8&quot;</td>
<td>23 #</td>
<td>J 55</td>
<td>0</td>
<td>1000'</td>
<td>1000 - Surf.</td>
<td>650 lbs</td>
<td>Class C</td>
</tr>
<tr>
<td>5 1/2&quot;</td>
<td>15 #</td>
<td>J 55</td>
<td>0</td>
<td>1980'</td>
<td>1980 - Surf.</td>
<td>500 lbs</td>
<td>Class C</td>
</tr>
<tr>
<td>4 3/4&quot; open hole</td>
<td></td>
<td></td>
<td>0</td>
<td>2400'</td>
<td></td>
<td></td>
<td>Class C</td>
</tr>
</tbody>
</table>

Date Surveyed: 18 Apr 2006
Registered Land Surveyor: Daniel R White
Certificate No: AZ RLS 31028