

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

Arizona Public Service Company

Address

City

State

Phone Number

P.O. Box 188 / Mail Station 4451

Joseph City

Arizona 86032

928-288-1541

Drilling Contractor

Pending

Address

DESCRIPTION OF WELL AND LEASE

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

Fee - Arizona Public Service Company

Well number

Cholla CO2-Test1

Elevation (ground)

5,130

Nearest distance from proposed location to property or lease line:

N/A Stratigraphic Test Well feet

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

No other wells feet

Number of acres in lease

N/A Stratigraphic Test Well

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

No other wells

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

N/A

Name

Address

Well location (give footage from section lines)
2,079 ft. FEL & 1,782 ft. FSL

Section - Township - Range or Block and Survey
Section 30 T18N R20E

Dedication per A.A.C. R12-7-104(A)(3)
N/A Stratigraphic Test Well

Field and reservoir (if wildcat, so state)

N/A - Stratigraphic Test Well

County

Navajo County

Distance in miles and direction from nearest town or post office
4.5 miles SE from Joseph City, Arizona

Proposed depth:

4,500 feet

Rotary or cable tools

Rotary

Approximate date work will start

January 5, 2009

Bond status

Attached

Organization Report

Filing Fee of \$25.00

Amount

\$25,000

On file

Or attached

Attached

Remarks

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Cholla Power Plant Manager of the Arizona Public Service Company (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.

API # 02-017-20022

Signature

[Handwritten Signature]
3 Nov 2008

Date

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

Permit Number: 977

Approval Date: 11-5-2008

Approved By: SC Raigo

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

PIN 977

- Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
N/A Stratigraphic Test Well
- 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 _____
- If the answer to question four is no, list all the owners and their respective interests below:

Owner Arizona Public Service Company	Land Description Section 30 T18N R20E
G & SRM	
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">See Attached Drawing and Surveyor's Certificate</div>	<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>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.</p> <p>Date Surveyed _____</p> <p>Registered Land Surveyor _____</p> <p>Certificate No. _____</p>

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
Conductor - 13-3/8"	48 lb/ft	H-40	0 ft	40 ft	0 - 40 ft	2 cu. yds	Concrete/Grout
Surface Casing 9-5/8"	36 lb/ft	J-55	0 ft	965 ft	0 - 965 ft	300 sacks	Class G
Production Casing 5-1/2"	15.5 lb/ft	J-55	0 ft	4,000 ft	0 - 4,000 ft	380 sacks/Lead Slurry 120 sacks/Tail Slurry	Class G 50-50 Pozmix