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 foot

Number of acres in lease

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 T8N R20 E

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

Field and reservoir (if known, so state)
N/A - Stratigraphic Test Well

County Navajo County

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

Proposed depth: 4,500 feet

Rotary or cable tools Rotary

Organized Report On file Or attached X

Approximate date work will start January 5, 2009

Bond status Attached

Amount $25,000

Filing fee of $25.00

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 # 02-017-2022

Signature

Date

Permit Number: 977

Approval Date: 11-5-2008

Approved By: SC Raines

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

(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. N/A Stratigraphic Test Well
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
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>Arizona Public Service Company</td>
<td>Section 30 T19N R20E G &amp; 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
Date

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>Conductor - 13-3/8&quot;</td>
<td>48 lb/ft</td>
<td>H-40</td>
<td>0 ft</td>
<td>40 ft</td>
<td>0 - 40 ft</td>
<td>2 cu. yds</td>
<td>Concrete/Grun</td>
</tr>
<tr>
<td>Surface Casing 9-5/8&quot;</td>
<td>36 lb/ft</td>
<td>J-55</td>
<td>0 ft</td>
<td>965 ft</td>
<td>0 - 965 ft</td>
<td>300 sacks</td>
<td>Class G</td>
</tr>
<tr>
<td>Production Casing 6-1/2&quot;</td>
<td>15.5 lb/ft</td>
<td>J-55</td>
<td>0 ft</td>
<td>4,000 ft</td>
<td>0 - 4,000 ft</td>
<td>380 sacks</td>
<td>50-50Pozmix</td>
</tr>
</tbody>
</table>

See Attached Drawing and Surveyor's Certificate

Date Surveyed
Registered Land Surveyor
Certificate No.