

### APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

INJECTION WELL

\_\_\_ OIL    \_\_\_ GAS    \_\_\_ CO2     X  HELIUM WELL    OTHER \_\_\_\_\_

NAME OF COMPANY OR OPERATOR

**Rare Earth Exploration, LLC**

Address: **1111 Beltline Rd. Suite 200**    City: **Garland**    State: **Texas**    Phone Number: **469-480-3141**

Drilling Contractor: **Willis Drilling & Pump - Surface Hole / Hurricane Air and Swabbing**

Address: **1351 S. Main St. Snowflake, AZ 85937 / 5949 U.S. Hwy 64, Farmington, NM 87402**

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor <b>13-120383</b>	Well number <b>12-1</b>	Elevation (ground) <b>5,341'</b>
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Nearest distance from proposed location to property or lease line: <b>650</b> feet	Distance from proposed location to nearest drilling, completed or applied-for well on the same lease: <b>N/A</b> feet
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Number of acres in lease <b>200</b>	Number of wells on lease, including this well, completed in or drilling to this reservoir: <b>0</b>
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If lease purchased with one or more wells drilled, from whom purchased. Name \_\_\_\_\_ Address \_\_\_\_\_

Well location (give footage from section lines) <b>689.11' FSL-650' FEL</b>	Section - Township - Range or Block and Survey <b>SEC. 12, T-15-N, R-22-E, G &amp; SRM</b>	Dedication per A.A.C. R12-7-104(A)(3) <b>W2SW SESW S2SE</b>
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Field and reservoir (if wildcat, so state) <b>Wildcat</b>	County <b>NAVAJO</b>
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Distance in miles and direction from nearest town or post office  
**S 45° E, 17 miles from Woodruff, AZ**


Proposed depth: <b>1,875'</b>	Rotary or cable tools <b>Rotary</b>	Approximate date work will start <b>4-21-19</b>
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Bond status Amount <b>\$25,000</b>	Organization Report On file    Or attached <b>X</b>	Filing Fee of \$25.00 Attached <b>Yes</b>
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Remarks  
  
**LTF # 75641**

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: **President** of the **Rare Earth Exploration, 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.

**Mail completed form to:**  
Oil and Gas Program Administrator  
Arizona Oil & Gas Conservation Commission  
c/o Arizona Department of Environmental Quality  
1110 W. Washington Street  
Phoenix, AZ 85007

  
 Signature  
**3-26-19**  
 Date

**e-mail completed form to:** azogcc@azdeq.gov

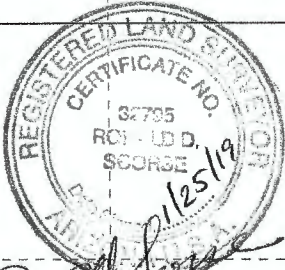

Permit / LTF No.: **1238**  
 Approval Date: **APRIL 12, 2019**  
 Approved By: **DL Turner**

**STATE OF ARIZONA**  
**OIL & GAS CONSERVATION COMMISSION**  
 Application to Drill or Re-enter  
**File two copies: one by mail, one electronically**  
 Form No. 3

19 MAR 25 AM 11:30  
 AIR QUALITY DIVISION  
 ADEQ

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

- 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 \_\_\_\_\_
- If the answer to question four is 'no', list all the owners and their respective interests below:

Owner	Land Description
<p>Section 12, Township 15 North Range 22 East, Gila &amp; Salt River Meridian Navajo County, Arizona</p>	
 <p>Expires 9/30/19</p>	<p>5356.66 (calc)</p> <p>N01d 18' 22"W</p> <p>689.11' 650'</p> <p>650'</p> <p>SE Cor</p> <p>Sec 12</p>
<p>Rare Earth 12-1 Lat 34.707260N Long 109.961436W Elev 5358.7</p> <p>S88d 31'43"W 5343.33'</p>	<p><b>CERTIFICATION</b></p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p></p> <p>Name <b>Brad Haycraft</b></p> <p>Position <b>President</b></p> <p>Company <b>Rare Earth Exploration, LLC</b></p> <p>Date <b>3/20/19</b></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 <b>1/24/2019</b></p> <p>Registered Land Surveyor <b>Ronald D Scorse</b></p> <p>Certificate No. RLS # 32795</p>

**PROPOSED CASING PROGRAM**

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
7"	23 lb	J55	GL	600'	GL-545'	95 sx	Prem Lite
4.5"	11.6 lb	J55	GL	1,875'	545' - 1,875'	81 sx	Prem Lite

# ARIZONA OIL and GAS CONSERVATION COMMISSION



State of Arizona  
**Oil and Gas Conservation Commission**

1110 W. Washington Street, Phoenix, AZ 85007

602-771-4501

[www.azogcc.az.gov](http://www.azogcc.az.gov)

Dennis L. Turner, Oil and Gas Administrator

Commissioners:

Frank Thorwald, Chair

J. Dale Nations, Ph.D., Vice Chair

Stephen R. Cooper

William C. Feyerabend

## CERTIFICATE for PERMIT to DRILL an OIL, GAS, INJECTION or GEOTHERMAL WELL

PERMIT NUMBER 1238

Has been issued to **Rare Earth Exploration, LLC**

to drill a well known as **Rare Earth Exploration 12-1 (State13-120383)**

located **650 FEL 689 FSL**

in Section **12** Township **15N** Range **22 E**, Navajo County, Arizona

The **640 acres** of said Section, Township and Range is dedicated to this well.

Said well shall be drilled substantially as described in the Application and as approved by the AOGCC's letter dated **April 15, 2019**. **Rare Earth Exploration, LLC** is subject to terms and conditions of the permit to drill and all applicable Arizona Revised Statutes (A.R.S.) Title 27, Chap. 4, Art. 1 and 4, and the Arizona Administrative Code (A.A.C.) R12-7-104, R12-7-106 to 107 and R12-7-175 to 176.

API No.: 02-017-20127

Issued: April 12, 2019

Expires\*: October 9, 2019

\*The permit to drill expires if operations are not commenced within 180 days from date of this certificate (see A.A.C R12-7-104(D))

Dennis L. Turner, Oil & Gas Program Administrator

(602)771-4501

### OPERATOR SHALL DISPLAY THIS CERTIFICATE IN A CONSPICUOUS PLACE ON-SITE