



## SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Ridgeway Arizona Oil Corp

2. OIL WELL  GAS WELL  OTHER  (Specify) CO2

3. Well Name State 12-31-30X  
 Location 2019' FWL & 1867 FNL  
 Sec. 31 Twp. 12N Rge. 30E County Apache, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13-110246

5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

|  |   |  |   |
|--|---|--|---|
| NOTICE OF INTENTION TO:                      |   | SUBSEQUENT REPORT OF:                          |   |
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/>        | WEEKLY PROGRESS <input checked="" type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/>      | DIRECTIONAL DRILL <input type="checkbox"/>    | FRACTURE TREATMENT <input type="checkbox"/>    | REPAIRING WELL <input type="checkbox"/>             |
| SHOOT OR ACIDIZE <input type="checkbox"/>    | PERFORATE CASING <input type="checkbox"/>     | SHOOTING OR ACIDIZING <input type="checkbox"/> | ALTER CASING <input type="checkbox"/>               |
| REPAIR WELL <input type="checkbox"/>         | CHANGE PLANS <input type="checkbox"/>         | (OTHER) _____                                  | ABANDONMENT <input type="checkbox"/>                |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Well spudded 5-16-08

Drilling ahead depth of 2622' TVD 1547.75

8. I hereby certify that the foregoing is true and correct.

Signed \_\_\_\_\_

Title Field Operations Supt Date 5-19-08

Permit No. 956 <sup>957</sup>

**STATE OF ARIZONA**  
**OIL & GAS CONSERVATION COMMISSION**  
 Sundry Notice and Reports On Wells  
 File One Copy

Form No. 25

5/96

## SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator Ridgeway Arizona Oil Corp

2. OIL WELL  GAS WELL  OTHER  (Specify) C02

3. Well Name State 12-31-30X  
 Location 2019' FWL, & 1867' FNL  
 Sec. 31 Twp. 12N Rge. 30E County Apache, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13-110246

5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

**NOTICE OF INTENTION TO:**

|                     |                          |                      |                          |
|---------------------|--------------------------|----------------------|--------------------------|
| TEST WATER SHUT-OFF | <input type="checkbox"/> | PULL OR ALTER CASING | <input type="checkbox"/> |
| FRACTURE TREAT      | <input type="checkbox"/> | DIRECTIONAL DRILL    | <input type="checkbox"/> |
| SHOOT OR ACIDIZE    | <input type="checkbox"/> | PERFORATE CASING     | <input type="checkbox"/> |
| REPAIR WELL         | <input type="checkbox"/> | CHANGE PLANS         | <input type="checkbox"/> |
| (OTHER) _____       |                          |                      |                          |

**SUBSEQUENT REPORT OF:**

|                       |                          |                 |                                     |
|-----------------------|--------------------------|-----------------|-------------------------------------|
| WATER SHUT-OFF        | <input type="checkbox"/> | WEEKLY PROGRESS | <input checked="" type="checkbox"/> |
| FRACTURE TREATMENT    | <input type="checkbox"/> | REPAIRING WELL  | <input type="checkbox"/>            |
| SHOOTING OR ACIDIZING | <input type="checkbox"/> | ALTER CASING    | <input type="checkbox"/>            |
| (OTHER) _____         |                          | ABANDONMENT     | <input type="checkbox"/>            |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

Proposed spud date for horizontal section of well is 5-16-08

8. I hereby certify that the foregoing is true and correct.

Signed \_\_\_\_\_

Title Field Operations Supv Date 5-13-08

Permit No. 956

957

**STATE OF ARIZONA**  
**OIL & GAS CONSERVATION COMMISSION**  
 Sundry Notice and Reports On Wells  
 File One Copy

Form No. 25

**SUNDRY NOTICES AND REPORTS ON WELLS**

1. Name of Operator Ridgeway Arizona Oil Corp

2. OIL WELL  GAS WELL  OTHER  (Specify) CO2

3. Well Name State 12-31-30X  
 Location 2019' FWL & 1867' FNL  
 Sec. 31 Twp. 12N Rge. 30E County Apache, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13-110246

5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

|   |   |  |  |
|---|---|--|--|
| NOTICE OF INTENTION TO:   |   | SUBSEQUENT REPORT OF:                          |  |
| TEST WATER SHUT-OFF <input type="checkbox"/>                                  | PULL OR ALTER CASING <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/>        | WEEKLY PROGRESS <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/>                                       | DIRECTIONAL DRILL <input type="checkbox"/>    | FRACTURE TREATMENT <input type="checkbox"/>    | REPAIRING WELL <input type="checkbox"/>  |
| SHOOT OR ACIDIZE <input type="checkbox"/>                                     | PERFORATE CASING <input type="checkbox"/>     | SHOOTING OR ACIDIZING <input type="checkbox"/> | ALTER CASING <input type="checkbox"/>    |
| REPAIR WELL <input type="checkbox"/>  | CHANGE PLANS <input type="checkbox"/>         | (OTHER) _____                                  | ABANDONMENT <input type="checkbox"/>     |
| (OTHER) <u>Reason for Horizontal Well</u> <input checked="" type="checkbox"/> |   |  |  |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

On previous Filed Sundry, Ridgeway requested permission to enter existing well bore and take this well Horizontal, the purpose for this request is to increase well deliverability and to expose more fractures within well bore.

*Approved 4-18-08*

8. I hereby certify that the foregoing is true and correct.

Signed *[Signature]*

Title Field Operations Supv Date 4-9-08

Permit No. 957  
956

**STATE OF ARIZONA**  
**OIL & GAS CONSERVATION COMMISSION**  
 Sundry Notice and Reports On Wells  
 File One Copy  
 Form No. 25

STATUS OF STATE LAND DEPARTMENT DECISION REGARDING EXTENSION OF LEASES 13-101357 (PERMITS 895 AND 916) AND 13-101510 (PERMIT 897) BY PAYMENT OF SHUT-IN ROYALTY

Mr. Dixon reported that the State Land Department denied Ridgeway's request to extend the leases by paying shut-in royalty. He noted that the leases would go to Gary Kiehne and Hunt Oil Company. Mr. Portman indicated that Ridgeway intended to appeal the decision.

RIDGEWAY ARIZONA OIL CORPORATION REQUEST TO DRILL HORIZONTAL SEGMENTS IN 12-34-29X (PERMIT 954), 12-31-30 (956) AND 12-31-30X (957)

957

Mr. Rauzi reported that Ridgeway submitted applications to drill horizontal segments in three previously permitted wells. He reviewed each application and noted that Ridgeway had submitted all information required by rule. Mr. Rauzi recommended approval.

Mr. White asked if the Commission could further authorize the administrator to approve future applications for horizontal wells if they met all of the requirements necessary for approval in a hearing. Mr. Portman added that such an administrative approval was accepted practice in Texas. In response to an inquiry from the Commission, Mr. Cox indicated he could not offer a legal opinion regarding Ridgeway's request at this time but would look into the matter. Mr. Cooper noted that if the Commission could not grant such authorization at this time it should consider amending the appropriate rule to accomplish that in the future.

Mr. Jones moved, seconded by Mr. Wagner:

TO APPROVE HORIZONTAL SEGMENTS IN THE 12-34-29X, 12-31-30, AND 12-31-30X WELLS

Motion carried unanimously.

STATUS OF RIDGEWAY ARIZONA OIL CORPORATION DRILLING PROGRAM BETWEEN ST JOHNS AND SPRINGVILLE INCLUDING POSSIBLE REPORT FROM A REPRESENTATIVE OF RIDGEWAY

Mr. Rauzi reported that Ridgeway had permitted 21 and drilled ten wells so far this year. He noted that Ridgeway's drilling and testing program was still in progress.

Mr. Portman discussed the status of Ridgeway's drilling and testing program to demonstrate at least two trillion cubic feet of proved but undeveloped reserves to justify a pipeline to west Texas. He anticipated drilling seven more wells in the current program.

DISCUSSION ABOUT OIL AND GAS CONSERVATION COMMISSION LETTERHEAD

Mr. Rauzi noted Dr. Allison's suggestion to list the Commissioners on the letterhead. The Commission requested a draft with the address centered between the state seal and list for review at the next meeting.

# Enhanced Oil Resources

~~12-30-31X~~  
~~12-30-31X~~ 12-31-30X 957  
~~12-30-31X~~  
OH

1000' SW

Plan: Plan #1

# PathFinder X&Y Report

09 April, 2008





PathFinder X&Y Report

**Company:** Enhanced Oil Resources  
**Project:** 12-30-31X  
**Site:** 12-30-31X  
**Well:** 12-30-31X  
**Wellbore:** OH  
**Design:** Plan #1

**Local Co-ordinate Reference:** Well 12-30-31X  
**TVD Reference:** WELL @ 0.00ft (Original Well Elev)  
**MD Reference:** WELL @ 0.00ft (Original Well Elev)  
**North Reference:** Grid  
**Survey Calculation Method:** Minimum Curvature  
**Database:** 200316 NWDB

**Project:** 12-30-31X  
**Map System:** Universal Transverse Mercator (US Survey Fee)  
**Geo Datum:** NAD83 Arizona - HARN  
**Map Zone:** Zone 12N (114 W to 108 W)

**System Datum:** Mean Sea Level

**Site:** 12-30-31X  
**Site Position:** Map  
**From:** 12,496,197.79 ft  
**Position Uncertainty:** 0.00 ft  
**Slot Radius:** 2,210,684.85 ft  
**Latitude:** 34° 24' 23.33664 N  
**Longitude:** 109° 6' 31.88958 W  
**Grid Convergence:** 1.07°

**Well:** 12-30-31X  
**Well Position:** +N/-S 0.00 ft  
**+E/-W:** 0.00 ft  
**Wellhead Elevation:** 0.00 ft  
**Latitude:** 34° 24' 23.33664 N  
**Longitude:** 109° 6' 31.88958 W  
**Ground Level:** 0.00 ft

**Wellbore:** OH

| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
|-----------|------------|-------------|-----------------|---------------|---------------------|
|           | IGRF200510 | 04/09/2008  | 10.48           | 61.21         | 49,560              |

**Design:** Plan #1  
**Audit Notes:**  
**Version:** Phase: PLAN Tie On Depth: 0.00  
**Vertical Section:** Depth From (TVD) (ft) +N/-S (ft) +E/-W (ft) Direction (°)  
 0.00 0.00 0.00 225.00

| Survey Tool Program | Date       | From (ft) | To (ft) | Survey (Wellbore) | Tool Name | Description |
|---------------------|------------|-----------|---------|-------------------|-----------|-------------|
| 0.00                | 04/09/2008 | 2.622.66  |         | Plan #1 (OH)      |           |             |



PathFinder X&Y Report

Company: Enhanced Oil Resources  
 Project: 12-30-31X  
 Site: 12-30-31X  
 Well: 12-30-31X  
 Wellbore: OH  
 Design: Plan #1

Local Co-ordinate Reference:  
 TVD Reference:  
 MD Reference:  
 North Reference:  
 Survey Calculation Method:  
 Database:

Well 12-30-31X  
 WELL @ 0.00ft (Original Well Elev)  
 WELL @ 0.00ft (Original Well Elev)  
 Grid  
 Minimum Curvature  
 200316 NWVDB

Planned Survey

| MD (ft)  | Inc (°) | Azi (°) | TVD (ft) | TVDSS (ft) | N/S (ft) | E/W (ft) | V. Sec (ft) | DLeg (°/100ft) | Northing (ft) | Easting (ft) |
|----------|---------|---------|----------|------------|----------|----------|-------------|----------------|---------------|--------------|
| 0.00     | 0.00    | 0.00    | 0.00     | 0.00       | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 100.00   | 0.00    | 0.00    | 100.00   | -100.00    | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 200.00   | 0.00    | 0.00    | 200.00   | -200.00    | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 300.00   | 0.00    | 0.00    | 300.00   | -300.00    | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 400.00   | 0.00    | 0.00    | 400.00   | -400.00    | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 500.00   | 0.00    | 0.00    | 500.00   | -500.00    | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 600.00   | 0.00    | 0.00    | 600.00   | -600.00    | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 700.00   | 0.00    | 0.00    | 700.00   | -700.00    | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 800.00   | 0.00    | 0.00    | 800.00   | -800.00    | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 900.00   | 0.00    | 0.00    | 900.00   | -900.00    | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 1,000.00 | 0.00    | 0.00    | 1,000.00 | -1,000.00  | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 1,100.00 | 0.00    | 0.00    | 1,100.00 | -1,100.00  | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 1,200.00 | 0.00    | 0.00    | 1,200.00 | -1,200.00  | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 1,300.00 | 0.00    | 0.00    | 1,300.00 | -1,300.00  | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 1,400.00 | 0.00    | 0.00    | 1,400.00 | -1,400.00  | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 1,500.00 | 0.00    | 0.00    | 1,500.00 | -1,500.00  | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 1,540.00 | 0.00    | 0.00    | 1,540.00 | -1,540.00  | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 7'       |         |         |          |            |          |          |             |                |               |              |
| 1,545.00 | 0.00    | 0.00    | 1,545.00 | -1,545.00  | 0.00     | 0.00     | 0.00        | 0.00           | 12,496,197.79 | 2,210,684.85 |
| 1,550.00 | 2.28    | 225.00  | 1,550.00 | -1,550.00  | -0.07    | -0.07    | 0.10        | 45.53          | 12,496,197.72 | 2,210,684.78 |
| 1,560.00 | 6.83    | 225.00  | 1,559.96 | -1,559.96  | -0.63    | -0.63    | 0.89        | 45.53          | 12,496,197.16 | 2,210,684.22 |
| 1,570.00 | 11.38   | 225.00  | 1,569.84 | -1,569.84  | -1.75    | -1.75    | 2.48        | 45.53          | 12,496,196.04 | 2,210,683.10 |
| 1,580.00 | 15.94   | 225.00  | 1,579.55 | -1,579.55  | -3.42    | -3.42    | 4.84        | 45.53          | 12,496,194.37 | 2,210,681.43 |
| 1,590.00 | 20.49   | 225.00  | 1,589.05 | -1,589.05  | -5.63    | -5.63    | 7.96        | 45.53          | 12,496,192.16 | 2,210,679.22 |
| 1,600.00 | 25.04   | 225.00  | 1,598.27 | -1,598.27  | -8.36    | -8.36    | 11.83       | 45.53          | 12,496,189.43 | 2,210,676.49 |
| 1,610.00 | 29.59   | 225.00  | 1,607.15 | -1,607.15  | -11.61   | -11.61   | 16.42       | 45.53          | 12,496,186.18 | 2,210,673.24 |
| 1,620.00 | 34.15   | 225.00  | 1,615.64 | -1,615.64  | -15.34   | -15.34   | 21.70       | 45.53          | 12,496,182.45 | 2,210,669.51 |

PathFinder X&Y Report

Company: Enhanced Oil Resources  
 Project: 12-30-31X  
 Site: 12-30-31X  
 Well: 12-30-31X  
 Wellbore: OH  
 Design: Plan #1

Local Co-ordinate Reference:  
 TVD Reference: WELL @ 0.00ft (Original Well Elev)  
 MD Reference: WELL @ 0.00ft (Original Well Elev)  
 North Reference: Grid  
 Survey Calculation Method: Minimum Curvature  
 Database: 200316 NWDB

Well 12-30-31X  
 WELL @ 0.00ft (Original Well Elev)  
 WELL @ 0.00ft (Original Well Elev)  
 Grid  
 Minimum Curvature  
 200316 NWDB

Planned Survey

| MD (ft)  | Inc (°) | Azi (°) | TVD (ft) | TVDSS (ft) | N/S (ft) | E/W (ft) | V. Sec (ft) | DLeg (°/100ft) | Northing (ft) | Easting (ft) |
|----------|---------|---------|----------|------------|----------|----------|-------------|----------------|---------------|--------------|
| 1,630.00 | 38.70   | 225.00  | 1,623.68 | -1,623.68  | -19.54   | -19.54   | 27.63       | 45.53          | 12,496,178.25 | 2,210,665.31 |
| 1,640.00 | 43.25   | 225.00  | 1,631.23 | -1,631.23  | -24.17   | -24.17   | 34.19       | 45.53          | 12,496,173.62 | 2,210,660.68 |
| 1,650.00 | 47.81   | 225.00  | 1,638.23 | -1,638.23  | -29.22   | -29.22   | 41.32       | 45.53          | 12,496,168.57 | 2,210,655.63 |
| 1,660.00 | 52.36   | 225.00  | 1,644.65 | -1,644.65  | -34.64   | -34.64   | 48.99       | 45.53          | 12,496,163.15 | 2,210,650.21 |
| 1,670.00 | 56.91   | 225.00  | 1,650.44 | -1,650.44  | -40.41   | -40.41   | 57.14       | 45.53          | 12,496,157.38 | 2,210,644.44 |
| 1,680.00 | 61.47   | 225.00  | 1,655.56 | -1,655.56  | -46.48   | -46.48   | 65.73       | 45.53          | 12,496,151.31 | 2,210,638.37 |
| 1,690.00 | 66.02   | 225.00  | 1,659.98 | -1,659.98  | -52.82   | -52.82   | 74.69       | 45.53          | 12,496,144.97 | 2,210,632.03 |
| 1,700.00 | 70.57   | 225.00  | 1,663.68 | -1,663.68  | -59.38   | -59.38   | 83.98       | 45.53          | 12,496,138.41 | 2,210,625.47 |
| 1,710.00 | 75.12   | 225.00  | 1,666.62 | -1,666.62  | -66.14   | -66.14   | 93.54       | 45.53          | 12,496,131.65 | 2,210,618.71 |
| 1,720.00 | 79.68   | 225.00  | 1,668.81 | -1,668.81  | -73.04   | -73.04   | 103.29      | 45.53          | 12,496,124.75 | 2,210,611.81 |
| 1,730.00 | 84.23   | 225.00  | 1,670.20 | -1,670.20  | -80.04   | -80.04   | 113.19      | 45.53          | 12,496,117.75 | 2,210,604.81 |
| 1,740.00 | 88.78   | 225.00  | 1,670.81 | -1,670.81  | -87.09   | -87.09   | 123.17      | 45.53          | 12,496,110.70 | 2,210,597.76 |
| 1,750.00 | 93.34   | 225.00  | 1,670.63 | -1,670.63  | -94.16   | -94.16   | 133.17      | 45.53          | 12,496,103.63 | 2,210,590.69 |
| 1,757.25 | 96.64   | 225.00  | 1,670.00 | -1,670.00  | -99.27   | -99.27   | 140.38      | 45.53          | 12,496,098.52 | 2,210,585.58 |
| 1,800.00 | 96.64   | 225.00  | 1,665.06 | -1,665.06  | -129.30  | -129.30  | 182.85      | 0.00           | 12,496,068.49 | 2,210,555.55 |
| 1,900.00 | 96.64   | 225.00  | 1,653.50 | -1,653.50  | -199.53  | -199.53  | 282.18      | 0.00           | 12,495,998.26 | 2,210,485.32 |
| 2,000.00 | 96.64   | 225.00  | 1,641.95 | -1,641.95  | -269.77  | -269.77  | 381.51      | 0.00           | 12,495,928.02 | 2,210,415.08 |
| 2,100.00 | 96.64   | 225.00  | 1,630.39 | -1,630.39  | -340.01  | -340.01  | 480.84      | 0.00           | 12,495,857.78 | 2,210,344.84 |
| 2,200.00 | 96.64   | 225.00  | 1,618.84 | -1,618.84  | -410.24  | -410.24  | 580.17      | 0.00           | 12,495,787.55 | 2,210,274.61 |
| 2,300.00 | 96.64   | 225.00  | 1,607.28 | -1,607.28  | -480.48  | -480.48  | 679.50      | 0.00           | 12,495,717.31 | 2,210,204.37 |
| 2,400.00 | 96.64   | 225.00  | 1,595.73 | -1,595.73  | -550.72  | -550.72  | 778.83      | 0.00           | 12,495,647.07 | 2,210,134.13 |
| 2,500.00 | 96.64   | 225.00  | 1,584.17 | -1,584.17  | -620.95  | -620.95  | 878.16      | 0.00           | 12,495,576.84 | 2,210,063.90 |
| 2,600.00 | 96.64   | 225.00  | 1,572.62 | -1,572.62  | -691.19  | -691.19  | 977.49      | 0.00           | 12,495,506.60 | 2,209,993.66 |
| 2,622.66 | 96.64   | 225.00  | 1,570.00 | -1,570.00  | -707.11  | -707.11  | 1,000.00    | 0.00           | 12,495,490.68 | 2,209,977.74 |

PBHL

PathFinder X&Y Report

Company: Enhanced Oil Resources  
 Project: 12-30-31X  
 Site: 12-30-31X  
 Well: 12-30-31X  
 Wellbore: OH  
 Design: Plan #1

Local Co-ordinate Reference: Well 12-30-31X  
 TVD Reference: WELL @ 0.00ft (Original Well Elev)  
 MD Reference: WELL @ 0.00ft (Original Well Elev)  
 North Reference: Grid  
 Survey Calculation Method: Minimum Curvature  
 Database: 200316 NWDB

**Targets**

| Target Name                                  | Dip Angle (°) | Dip Dir. (°) | TVD (ft) | +N/-S (ft) | +E/-W (ft) | Northing (ft) | Easting (ft) | Latitude           | Longitude          |
|--|---------------|--------------|----------|------------|------------|---------------|--------------|--------------------|--------------------|
| PBHL<br>- plan hits target center<br>- Point | 0.00          | 0.00         | 1,570.00 | -707.11    | -707.11    | 12,495,490.68 | 2,209,977.74 | 34° 24' 16.47358 N | 109° 6' 40.48451 W |

**Casing Points**

| Measured Depth (ft) | Vertical Depth (ft) | Name | Casing Diameter (") | Hole Diameter (") |
|---------------------|---------------------|------|---------------------|-------------------|
| 1,540.00            | 1,540.00            | 7    | 7                   | 8-1/2             |

Checked By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_

**SUNDRY NOTICES AND REPORTS ON WELLS**

1. Name of Operator RIDGEWAY ARIZONA OIL CORP

2. OIL WELL  GAS WELL  OTHER  (Specify) CO2

3. Well Name State 12-31-30X  
 Location 2019 FNL and 1867 FNL  
 Sec. 31 Twp. 12N Rge. 30E County Apache, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13-110246

5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

|  |  |  |  |
|--|--|--|--|
| NOTICE OF INTENTION TO:                      |  | SUBSEQUENT REPORT OF:                          |  |
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/>    | WATER SHUT-OFF <input type="checkbox"/>        | WEEKLY PROGRESS <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/>      | DIRECTIONAL DRILL <input type="checkbox"/>       | FRACTURE TREATMENT <input type="checkbox"/>    | REPAIRING WELL <input type="checkbox"/>  |
| SHOOT OR ACIDIZE <input type="checkbox"/>    | PERFORATE CASING <input type="checkbox"/>        | SHOOTING OR ACIDIZING <input type="checkbox"/> | ALTER CASING <input type="checkbox"/>    |
| REPAIR WELL <input type="checkbox"/>         | CHANGE PLANS <input checked="" type="checkbox"/> | (OTHER) _____                                  | ABANDONMENT <input type="checkbox"/>     |
| (OTHER) _____                                |  |  |  |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

M.I.R.U. Key rig set composite cement retainer at 1640'. Pumped cement and squeezed open hole section of well. Ridgeway would like to drill this well horizontal.

*Approved 4-18-08*

8. I hereby certify that the foregoing is true and correct.

Signed \_\_\_\_\_

Title Field Operations Supv Date 4-7-08

Permit No. 957

|   |
|---|
| <p><b>STATE OF ARIZONA</b><br/> <b>OIL &amp; GAS CONSERVATION COMMISSION</b><br/>                 Sundry Notice and Reports On Wells<br/>                 File One Copy</p> |
| Form No. 25   |

**SUNDRY NOTICES AND REPORTS ON WELLS**

1. Name of Operator RIDGEWAY ARIZONA OIL CORP

2. OIL WELL  GAS WELL  OTHER  (Specify) CO2

3. Well Name State 12-31-30X

Location 2019' FWL & 1867' FNL

Sec. 31 Twp. 12N Rge. 30E County Apache, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13-110246

5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

|  |   |  |   |
|--|---|--|---|
| NOTICE OF INTENTION TO:                      |   | SUBSEQUENT REPORT OF:                          |   |
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/>        | WEEKLY PROGRESS <input checked="" type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/>      | DIRECTIONAL DRILL <input type="checkbox"/>    | FRACTURE TREATMENT <input type="checkbox"/>    | REPAIRING WELL <input type="checkbox"/>             |
| SHOOT OR ACIDIZE <input type="checkbox"/>    | PERFORATE CASING <input type="checkbox"/>     | SHOOTING OR ACIDIZING <input type="checkbox"/> | ALTER CASING <input type="checkbox"/>               |
| REPAIR WELL <input type="checkbox"/>         | CHANGE PLANS <input type="checkbox"/>         | (OTHER) _____                                  | ABANDONMENT <input type="checkbox"/>                |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

Drill out to a depth of 1540' run 7" casing, cement and circulate to surface W.O.C.

Drill out to a total depth of 1682', well is shut-in pending test.

8. I hereby certify that the foregoing is true and correct.

Signed [Signature]

Title Field Operations Supv Date 3-26-08

Permit No. 957

|   |
|---|
| <p><b>STATE OF ARIZONA</b><br/> <b>OIL &amp; GAS CONSERVATION COMMISSION</b><br/>                 Sundry Notice and Reports On Wells<br/>                 File One Copy</p> |
| Form No. 25   |

**SUNDRY NOTICES AND REPORTS ON WELLS**

1. Name of Operator RIDGEWAY ARIZONA OIL CORP

2. OIL WELL  GAS WELL  OTHER  (Specify) CO2

3. Well Name State 12-31-30X

Location 2019' FWL & 1867' FNL

Sec. 31 Twp. 12N Rge. 30E County Apache, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13-110246

5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

|                     |                          |                      |                          |
|---------------------|--------------------------|----------------------|--------------------------|
| TEST WATER SHUT-OFF | <input type="checkbox"/> | PULL OR ALTER CASING | <input type="checkbox"/> |
| FRACTURE TREAT      | <input type="checkbox"/> | DIRECTIONAL DRILL    | <input type="checkbox"/> |
| SHOOT OR ACIDIZE    | <input type="checkbox"/> | PERFORATE CASING     | <input type="checkbox"/> |
| REPAIR WELL         | <input type="checkbox"/> | CHANGE PLANS         | <input type="checkbox"/> |
| (OTHER)             | <input type="checkbox"/> |                      | <input type="checkbox"/> |

SUBSEQUENT REPORT OF:

|                       |                          |                 |                                     |
|-----------------------|--------------------------|-----------------|-------------------------------------|
| WATER SHUT-OFF        | <input type="checkbox"/> | WEEKLY PROGRESS | <input checked="" type="checkbox"/> |
| FRACTURE TREATMENT    | <input type="checkbox"/> | REPAIRING WELL  | <input type="checkbox"/>            |
| SHOOTING OR ACIDIZING | <input type="checkbox"/> | ALTER CASING    | <input type="checkbox"/>            |
| (OTHER)               | <input type="checkbox"/> | ABANDONMENT     | <input type="checkbox"/>            |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

Skid Patterson Rig 746 over well and spud well on 3-16-08  
run 9 5/8" casing, set @ 995' cement and circulate to surface W.O.C.

8. I hereby certify that the foregoing is true and correct.

Signed [Signature]

Title Field Operations Supv Date 3-18-08

Permit No. 957

**STATE OF ARIZONA**  
**OIL & GAS CONSERVATION COMMISSION**  
Sundry Notice and Reports On Wells  
File One Copy

Form No. 25

## SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator RIDGEWAY ARIZONA OIL CORP

2. OIL WELL  GAS WELL  OTHER  (Specify) CO2

3. Well Name State 12-31-30X

Location 1867' FNL & 2019' FWL

Sec. 31 Twp. 12N Rge. 30E County Apache, Arizona

4. Federal, State, or Indian Lease Number, or lessor's name if fee lease 13-110246

5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

**NOTICE OF INTENTION TO:**

|                     |                          |                      |                          |
|---------------------|--------------------------|----------------------|--------------------------|
| TEST WATER SHUT-OFF | <input type="checkbox"/> | PULL OR ALTER CASING | <input type="checkbox"/> |
| FRACTURE TREAT      | <input type="checkbox"/> | DIRECTIONAL DRILL    | <input type="checkbox"/> |
| SHOOT OR ACIDIZE    | <input type="checkbox"/> | PERFORATE CASING     | <input type="checkbox"/> |
| REPAIR WELL         | <input type="checkbox"/> | CHANGE PLANS         | <input type="checkbox"/> |

(OTHER) \_\_\_\_\_

**SUBSEQUENT REPORT OF:**

|                       |                          |                 |                          |
|-----------------------|--------------------------|-----------------|--------------------------|
| WATER SHUT-OFF        | <input type="checkbox"/> | WEEKLY PROGRESS | <input type="checkbox"/> |
| FRACTURE TREATMENT    | <input type="checkbox"/> | REPAIRING WELL  | <input type="checkbox"/> |
| SHOOTING OR ACIDIZING | <input type="checkbox"/> | ALTER CASING    | <input type="checkbox"/> |
|                       |                          | ABANDONMENT     | <input type="checkbox"/> |

(OTHER) \_\_\_\_\_

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log, Form 4)

1. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

Proposed spud date: 3-11-08

Skid Patterson Rig 746 over and prepare to drill.

8. I hereby certify that the foregoing is true and correct.

Signed \_\_\_\_\_

Title Field Operations Srv Date 3-10-08

Permit No. 957

|   |
|---|
| <p><b>STATE OF ARIZONA</b><br/> <b>OIL &amp; GAS CONSERVATION COMMISSION</b><br/>                 Sundry Notice and Reports On Wells<br/>                 File One Copy</p> |
| <p>Form No. 25</p>  |



## PERMIT TO DRILL

This constitutes the permission and authority from the

OIL AND GAS CONSERVATION COMMISSION,  
STATE OF ARIZONA,

To: RIDGEWAY ARIZONA OIL CORP  
(OPERATOR)

to drill a well to be known as

12-31-30X STATE  
(WELL NAME)

located 1867' FWL & 2019' FWL

Section 31 Township 12N Range 30E, APACHE County, Arizona.

The ALL/ AMOS WASH UNIT of said  
Section, Township and Range is dedicated to this well.

Said well is to be drilled substantially as outlined in the attached Application and must be drilled in full compliance with all applicable laws, statutes, rules and regulations of the State of Arizona.

Issued this 4 day of February 2008, 19    .

OIL AND GAS CONSERVATION COMMISSION

By SL Rantz  
EXECUTIVE DIRECTOR

PERMIT 00957

RECEIPT NO. 3149

A.P.I. NO. 02-001-20350

State of Arizona  
Oil & Gas Conservation Commission  
Permit to Drill

FORM NO. 27

## APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR  
RIDGEWAY ARIZONA OIL CORP

Address City State Phone Number  
P O BOX 1110 (5902 S White Mountain Dr) ST JOHNS, AZ 85936 (928) 337-3230

Drilling Contractor  
RIDGEWAY ARIZONA OIL CORP

Address SAME

### DESCRIPTION OF WELL AND LEASE

|   |  |                             |
|---|--|-----------------------------|
| Federal, State or Indian Lease Number, or if fee lease, name of lessor<br>13-110246 | Well number<br>State 12-31-30X   | Elevation (ground)<br>6675' |
| Nearest distance from proposed location to property or lease line:<br>1867 feet     | Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:<br>North 50 feet |                             |
| Number of acres in lease<br>626.86  | Number of wells on lease, including this well, completed in or drilling to this reservoir:<br>1                        |                             |

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

|  |   |  |
|--|---|--|
| Well location (give footage from section lines)<br>2019' FNL + 1867' FNL | Section - Township - Range or Block and Survey<br>S.31. T12N R30E | Dedication per A.A.C. R12-7-104(A)(3)<br>All/Amos Wash |
|--|---|--|

|   |                  |
|---|------------------|
| Field and reservoir (if wildcat, so state)<br>Wildcat | County<br>Apache |
|---|------------------|

Distance in miles and direction from nearest town or post office  
N12°51'E 18.71 miles from Springerville P.O.

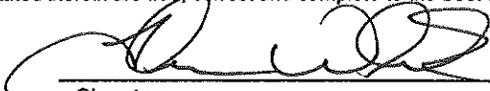
|                             |                                 |   |
|-----------------------------|---------------------------------|---|
| Proposed depth:<br>2200 +/- | Rotary or cable tools<br>Rotary | Approximate date work will start<br>2-15-08 |
|-----------------------------|---------------------------------|---|

|                                      |  |   |
|--------------------------------------|--|---|
| Bond status <u>On file</u><br>Amount | Organization Report<br>On file <input checked="" type="checkbox"/> Or attached | Filing Fee of \$25.00<br>Attached <input checked="" type="checkbox"/> |
|--------------------------------------|--|---|

Remarks

API # 02-001-20350

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Field Operations Supervisor of the Ridgeway Arizona 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  
1-9-08

Date

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

Permit Number: 957  
Approval Date: 2-4-2008  
Approved By: SL R...

**STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION**

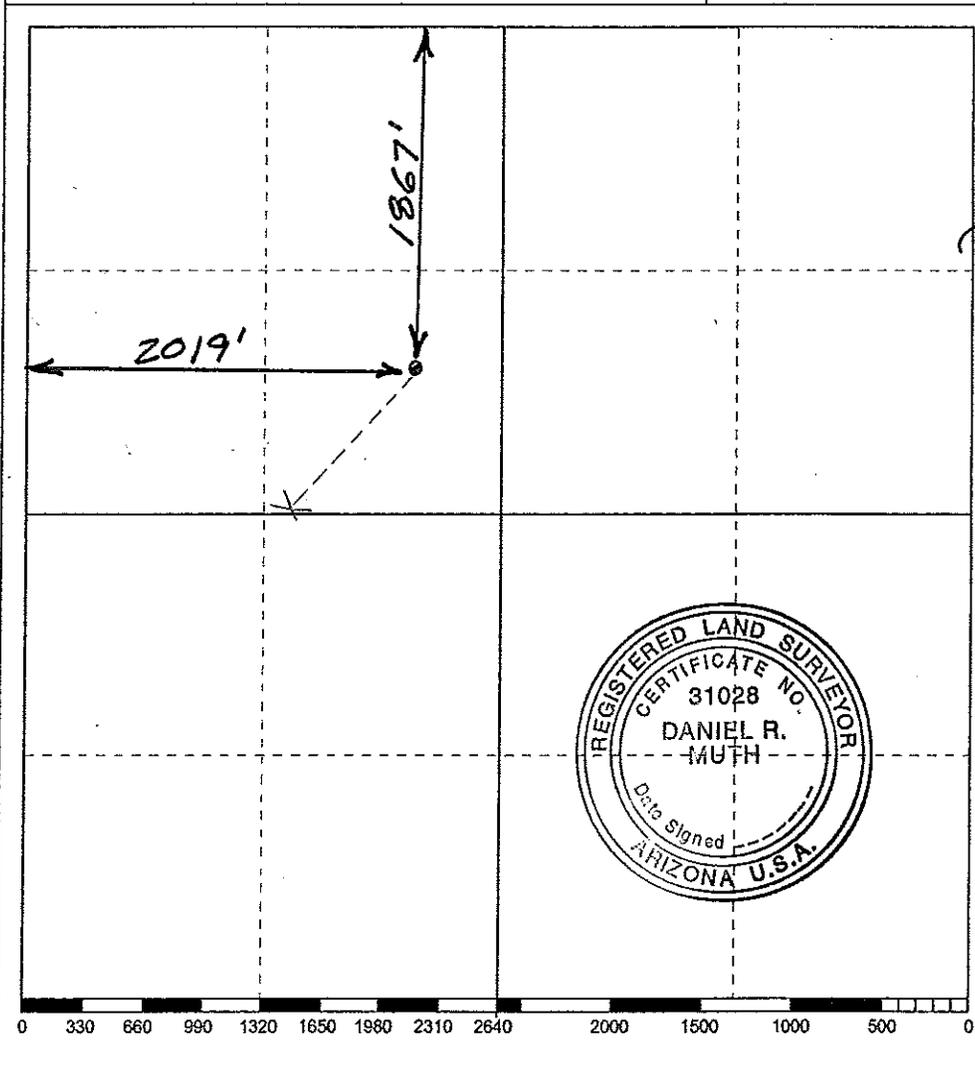
Application to Drill or Re-enter  
File Two Copies

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

Form No. 3

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 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:

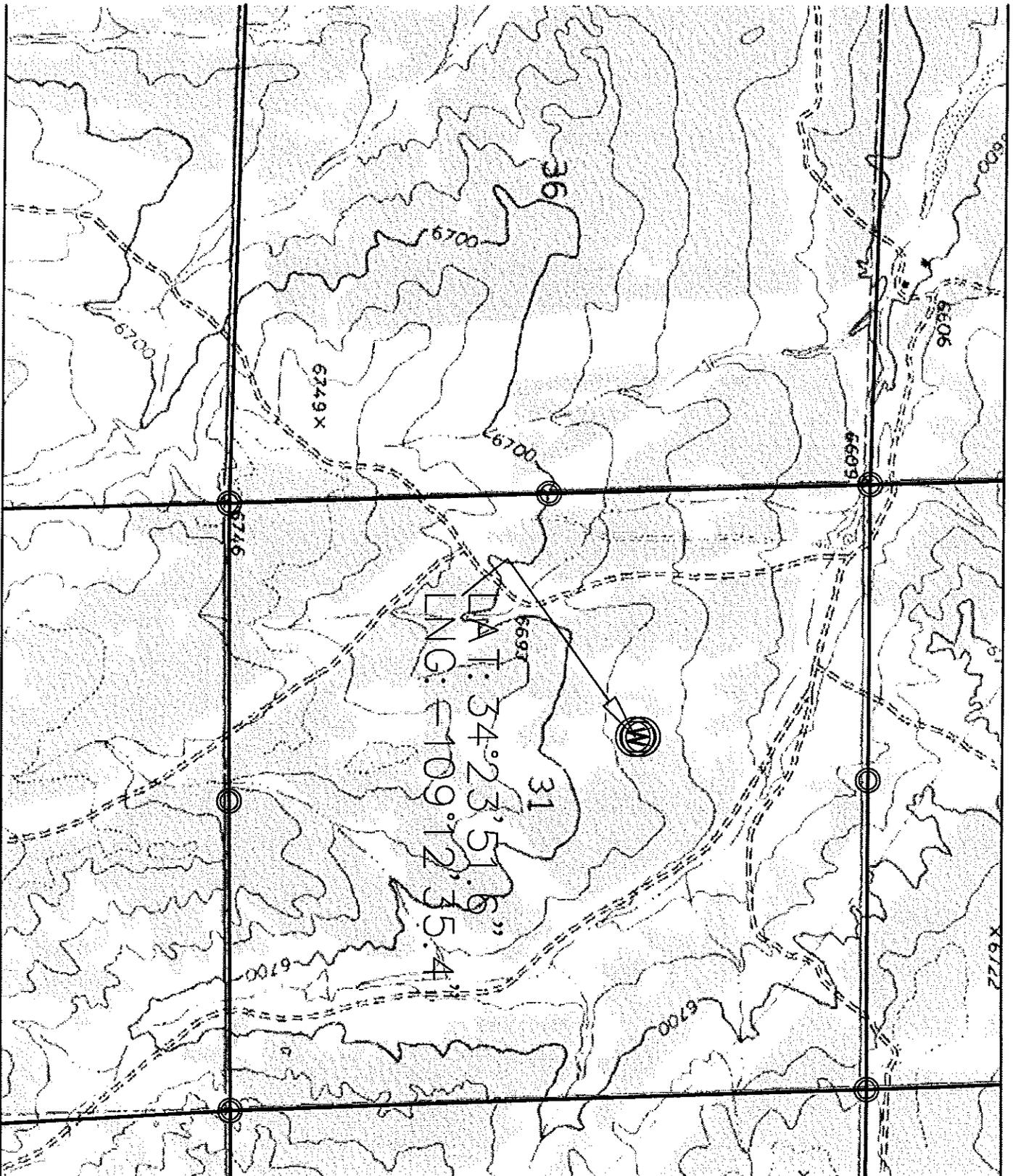
|   |   |
|---|---|
| Owner<br>RIDGEWAY ARIZONA OIL CORP<br>P O BOX 1110 ST JOHNS, AZ 85936 | Land Description<br>NW 1/4 S. 31 T12N R30E G15M |
|---|---|



|  |
|--|
| <b>CERTIFICATION</b>   |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief.   |
|  |
| Name<br>Thomas White   |
| Position<br>Field Operations Supv  |
| Company<br>Ridgeway AZ Oil Corp  |
| Date<br>Jan 9, 2008  |
| 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. |
|  |
| Date Surveyed<br>7 Jan 2008  |
| Registered Land Surveyor<br>   |
| Certificate No.<br>ELS 31028   |

**PROPOSED CASING PROGRAM**

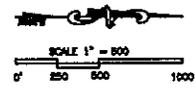
| Size of Casing | Weight | Grade & Type | Top | Bottom | Cementing Depths | Sacks Cement | Type         |
|----------------|--------|--------------|-----|--------|------------------|--------------|--------------|
| 16"            | 36#    | J-55         | 0   | 80     | 0-80             | 100 sks      | Readymix     |
| 9 5/8"         |        |              | 0   | 2000   | 0-2000           | 500 sks      | Class C Foam |



DAT: 34°23'51.6"  
 LING: ←109°12'35.4"



DANIEL R. MUTH PLS  
 P.O. BOX 1753  
 SPRINGVILLE, AZ 85938  
 928-245-3922

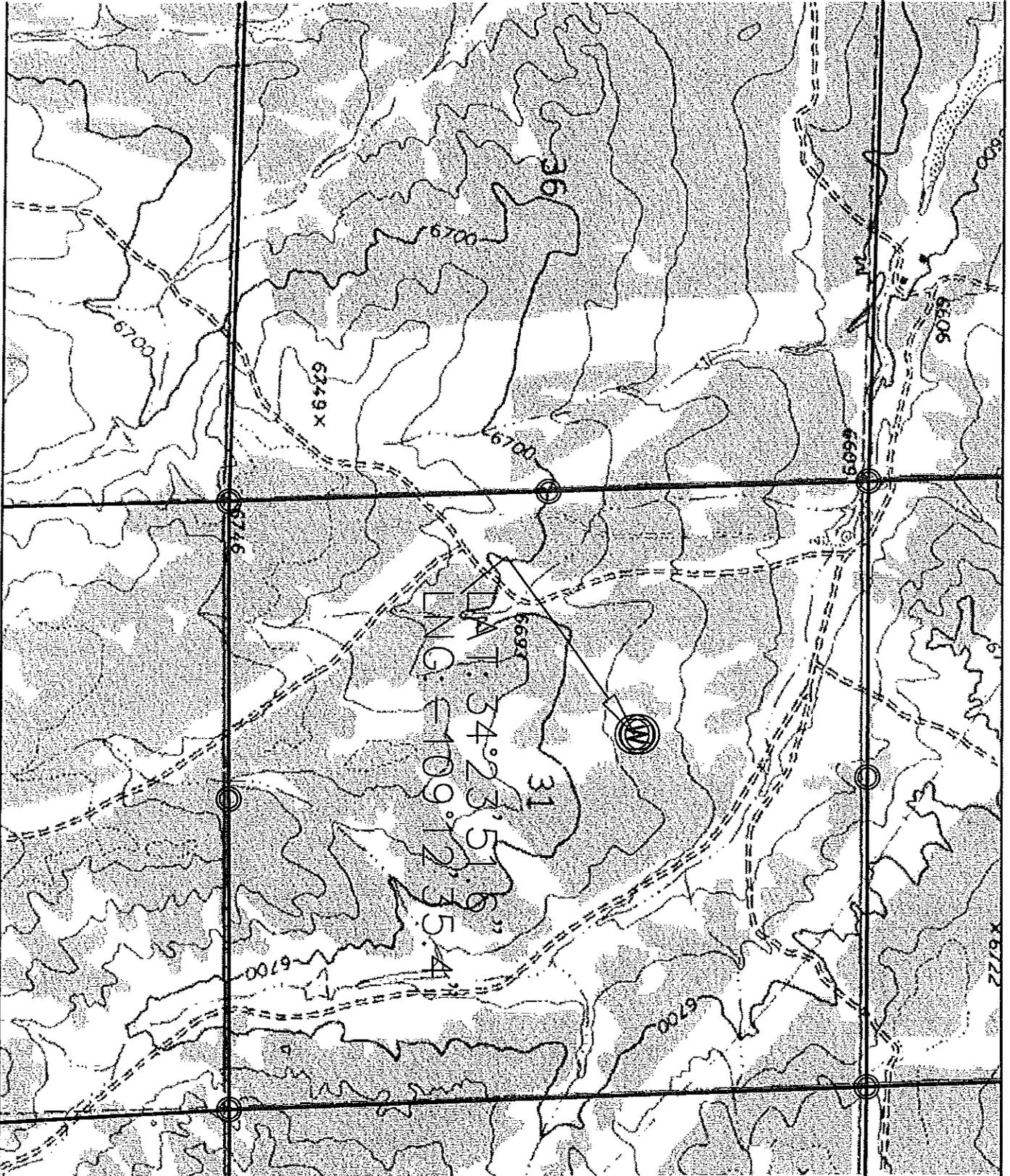


WELL LOCATION  
 SECTION 31 T12NR30E  
 G&SRM

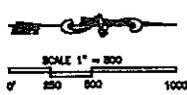
12-31-30X (957)

JAN 2014 DATE OF SURVEY

|          |          |       |     |
|----------|----------|-------|-----|
| PROJECT# | 2006.027 | DENBY | DEM |
| DWG      | SHEET    | SHEET | 1   |



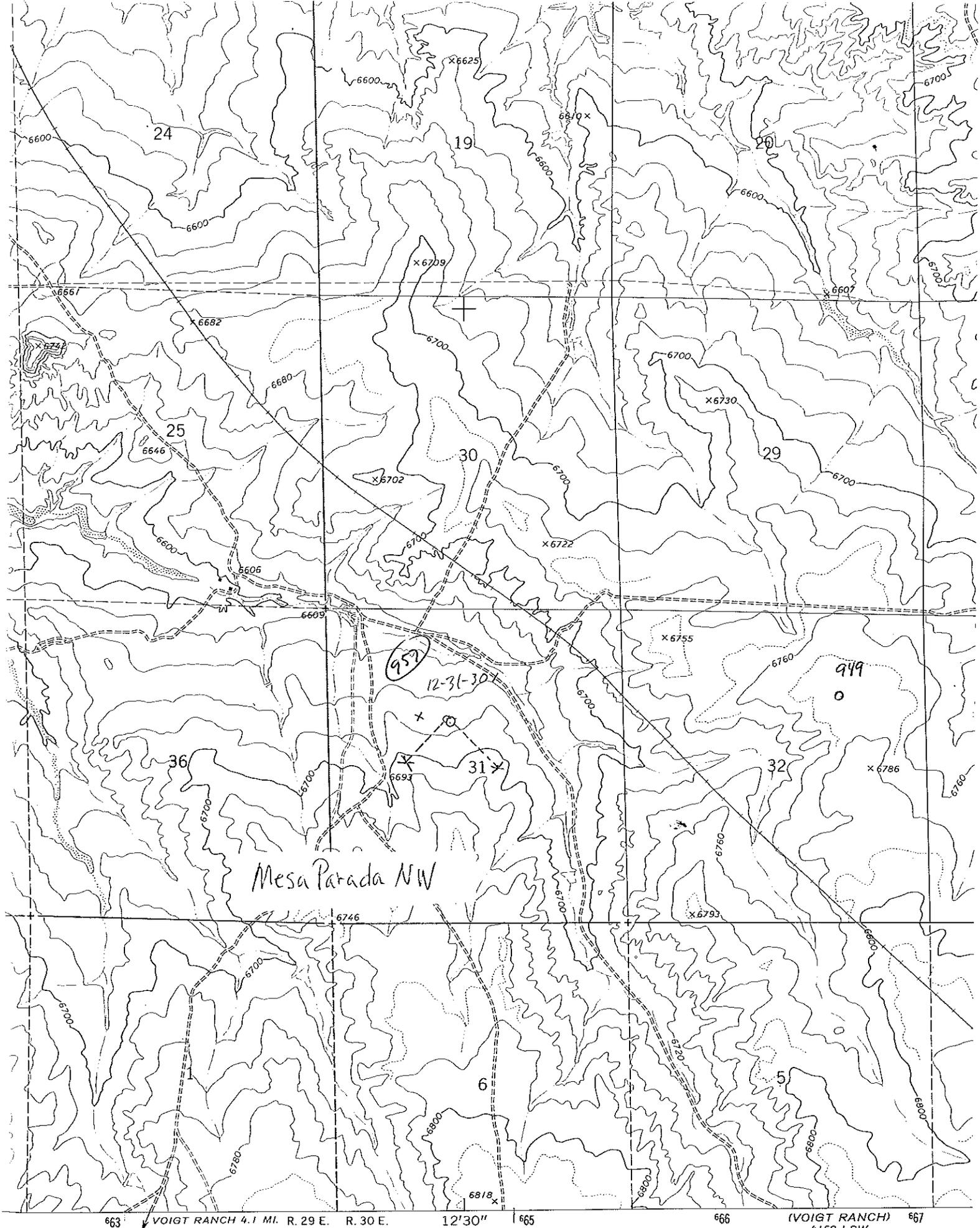
DANIEL R. MUTH PLS  
 P.O. BOX 1753  
 SPRINGVILLE, AZ 85938  
 928-245-3922



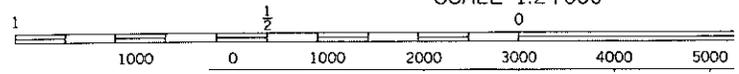
WELL LOCATION  
 SECTION 31 T12NR30E  
 G&SRM

12-31-30X (957)  
 JAN 201 DATE OF SURVEY

|          |          |        |     |
|----------|----------|--------|-----|
| PROJECT# | 2006.027 | DENBY: | DRM |
| DWG      | SKETCH   | SHEET  | 1   |



Geological Survey



663 VOIGT RANCH 4.1 MI. R. 29 E. R. 30 E. 12'30" 665 (VOIGT RANCH) 667  
4152 1 SW

SCALE 1:24 000

## Drilling Well Prognosis

**OPERATOR** Ridgeway AZ Oil Corp.    **LEASE** 13-110246    **NO.** 12-31-30 X State  
**LOCATION** T12 S31 R30X    **FOOTAGE** 2019 FWL & 1867 FNL    957  
**COUNTY** Apache    **STATE** AZ.  
**ELEVATION:** Ground level 6675    Kelly Bushing 6685

### GEOLOGICAL PROGRAM

| Tops        | Depth    | Core-Depths | Drill Stem Test-Depths |
|-------------|----------|-------------|------------------------|
| Gloreta     | 800 +/-  |             |                        |
| FT. Apache  | 1600 +/- |             |                        |
| Amos Wash   | 1975 +/- |             |                        |
| Precambrian | 3000 +/- |             |                        |

### ELECTRIC LOGGING:

**Company** Schlumberger    **Phone** 505-325-5007  
**Logging Program:** To be determined by Geologist

**Well Site Geologist:** George Scott    **Phone** 505-350-2030  
**Mudlogger:** Scotty Scott    **Phone** 580-729-0107  
**Coring Co.** \_\_\_\_\_    **Phone** \_\_\_\_\_  
**Coring Analysis Co.** \_\_\_\_\_    **Phone** \_\_\_\_\_

**Sample Catching Instructions:** \_\_\_\_\_  
**Drilling Time Instructions:** \_\_\_\_\_

### MUD PROGRAM

**Mud Engineer** Sean Heart    **Phone** 970-985-1363

| Depths | Instructions           |
|--------|------------------------|
| 0      | Water Based Mud system |
|        |                        |
| 2200   |                        |

### ENGINEERING PROGRAM

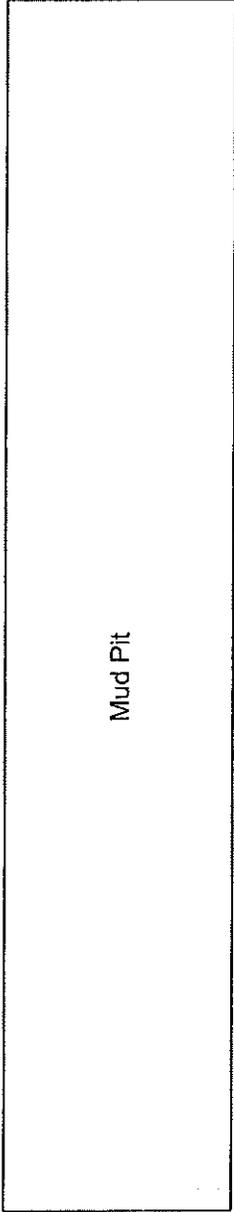
**Well Site Engineer** Clifford Marsters    **Phone** 505-793-3883  
**Drilling Contractor** Ridgeway AZ Oil Corp.    **Phone** 928-337-3230  
**Tool Pusher** \_\_\_\_\_    **Phone** \_\_\_\_\_  
**Cementing Co.** Key Energy    **Phone** 505-564-3489  
**Water Hauler** Highland Trucking    **Phone** 928-245-2222

| Casing    |          |        |       | Cement           |                  |
|-----------|----------|--------|-------|------------------|------------------|
| Hole Size | Csg Size | Weight | Depth | Type & Sacks     | Est. Top Of Cmt. |
|           | 16"      |        | 80    | Ready mix        | Surface          |
| 12 1/4    | 9 5/8    | 36 #   | 2200  | 500 sks/ Class C | "                |
|           |          |        |       |                  | "                |
|           |          |        |       |                  | "                |

**SHOWS & BREAKS-INSTRUCTIONS:** \_\_\_\_\_

**OTHER INSTRUCTIONS:** \_\_\_\_\_

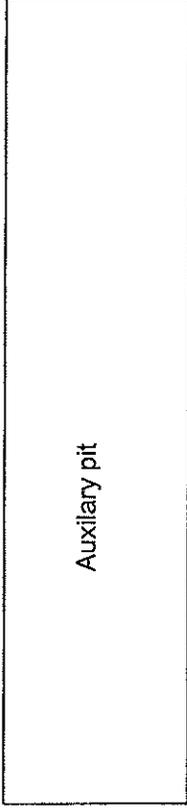
**DAILY DRILLING REPORTS TO:** \_\_\_\_\_



Well 1



well 2



\* Not to Scale

**St. John's Dome Drilling Prognosis - Amos Wash Completion**

12-31-30X (957)

| Formation/Csg Points | TVD | BHP | EMW |
|----------------------|-----|-----|-----|
|----------------------|-----|-----|-----|

Approximate Depths

**16" Conductor**                      80  
Cement w Ready Mix

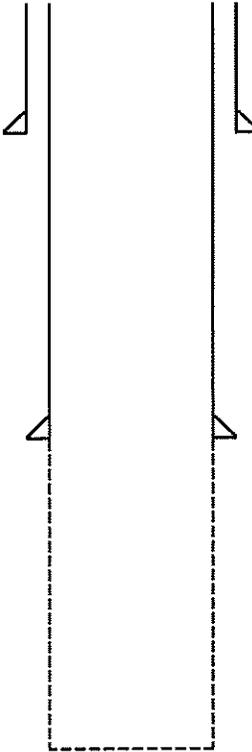
**Supal 1300**  
Wet Water Sand

**Fort Apache 1800**

9-5/8" 36# J-55 STC @ Amos Wash Top

**Amos Wash 2000    450    4.33**  
PAY ZONE - CO2

**TD 2200**



**12-1/4" Hole**

Drilling: Drill a 12-1/4" hole to Amos Wash Top  
 Survey: Drop Inclination Surveys:  
           500' Intervals and TD  
 Evaluation: 2 Man Mudlogging Unit  
 Logging: None  
 Fluids: Water Base Mud  
 Cement: Foam Slurry, Cement to Surface  
 FIT: Full Circulation of Mud System Only  
 Casing: 9-5/8" 36# J-55 STC

**CASING POINT SELECTION IS EXTREMELY CRITICAL  
 AMOS WASH TOP MUST BE CAREFULLY FOUND  
 BY MUDLOGGER**

Drilling Rig RDMO After Setting Casing

MIRU Pulling Unit to Drill Openhole Section

**7-7/8" Hole**

Drilling: Drill a 7-7/8" Hole to TD  
 Survey: Drop Inclination Survey at TD  
 Evaluation: None  
 Fluids: Nitrogen and Clean Mist  
 Casing: None - Openhole Completion

7894

**RIDGEWAY ARIZONA OIL CORP.**

OPERATING ACCOUNT  
P.O. BOX 1110 928-337-3230  
590 S. WHITE MOUNTAIN DRIVE  
SAINT JOHNS, AZ 85936

BANK OF THE WEST  
ST. JOHNS OFFICE  
ST. JOHNS, AZ 85936  
91-564-1221

01/08/2008

PAY TO THE  
ORDER OF

Arizona Geological Survey

\$ \*\*125.00

One hundred twenty-five and 00/100\*\*\*\*\* DOLLARS

Arizona Geological Survey  
451 W Congress  
Suite 100  
Tucson, AZ 85701

MEMO

⑈007894⑈ ⑆122⑆05647⑆ 63⑆002458⑈

Details on back. Security Features included.

**RIDGEWAY ARIZONA OIL CORP.**

7894

| Date       | Type | Reference | Original Amount | Balance Due | Payment |
|------------|------|-----------|-----------------|-------------|---------|
| 01/08/2008 | Bill | 010808    | 125.00          | 125.00      | 125.00  |
|            |      |           | Check Amount    |             | 125.00  |

12-31-30X  
= 957

25.00

|  |  |             |           |     |      |
|--|--|-------------|-----------|-----|------|
| <b>RECEIPT</b>   |  | Date        | 1-29-2008 | No. | 3149 |
| Received From <u>Ridgeway AZ Oil Corp</u>                                      |  |             |           |     |      |
| Address <u>PO Box 111 St Johns AZ 85936</u>                                    |  |             |           |     |      |
| <u>one hundred twenty five and 00/100</u> Dollars \$ <u>125.00</u>             |  |             |           |     |      |
| For filing fee <u>12-31-29X, 12-31-30X, 12-30-31X, 10-2-30X, and 10-29-31X</u> |  |             |           |     |      |
| ACCOUNT  |  | HOW PAID    |           |     |      |
| AMT. OF ACCOUNT  |  | CASH        |           |     |      |
| AMT. PAID  |  | CHECK       | 125       | 00  |      |
| BALANCE DUE  |  | MONEY ORDER |           |     |      |
| By <u>SL Raines</u>  |  |             |           |     |      |

## ORGANIZATION REPORT

Full Name of the Company, Organization, or Individual

Ridgeway Arizona Oil Corp.

Mailing Address and Phone Number

P O Box 1110 St. Johns, AZ 85936 928-337-3230

Plan of Organization (State whether organization is a corporation joint stock association, firm or partnership, or individual  
Corporation

Purpose of Organization (State type of business in which engaged)

Oil & Gas Exploration and Production

If a reorganization, give name and address of previous organization

| If a foreign corporation give<br>(1) State where incorporated | (2) Name and mailing address of state agent               | (3) Date of permit to do business in state   |
|---|---|--|
| Arizona & New Mexico  | CT Corporation<br>3225 N Central Ave<br>Phoenix, AZ 85012 | May 16, 1994                                 |
| Principal Officers or Partners (If partnership)<br>NAME       | TITLE   | MAILING ADDRESS                              |
| Barry D Lasker  | President/Director  | One Riverway, Suite 610<br>Houston, TX 77056 |
| John P Dorrier  | Vice President/Director                                   | 3050 Post Oak Ste 1700<br>Houston, TX 77056  |
|   |   |  |
|   |   |  |
|   |   |  |
|   |   |  |

| DIRECTORS NAME | MAILING ADDRESS                          |
|----------------|--|
| Barry D Lasker | One Riverway, Ste 610 Houston, TX 77056  |
| John P Dorrier | 3050 Post Oak Ste 1700 Houston, TX 77056 |
| R. L. Eson     | One Riverway, Ste 610 Houston, TX 77056  |
| L. E. Parker   | One Riverway, Ste 610 Houston, TX 77056  |
| T. Moline      | One Riverway, Ste 610 Houston, TX 77056  |

CERTIFICATE I, the undersigned, under the penalty of perjury state that I am the Agent of the Ridgeway Arizona 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.

Carmen Tanner  
Signature

October 31, 2007  
Date

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

|                                   |
|-----------------------------------|
| STATE OF ARIZONA                  |
| OIL & GAS CONSERVATION COMMISSION |
| Organization Report               |
| File One Copy                     |
| Form No. 1                        |

## BLANKET BOND COVER SHEET

### RIDGEWAY ARIZONA OIL CORPORATION

| <u>Operator</u>      | <u>Bank</u>      | <u>Account Number</u> | <u>Approval</u> | <u>Amount</u>   |
|----------------------|------------------|-----------------------|-----------------|-----------------|
| Ridgeway Arizona Oil | Bank of the West | C.D. #631-852068      | 05/23/06        | \$25,000        |
| Ridgeway Arizona Oil | Bank One         | C.D. #4002111         | 07/07/94        | \$10,000        |
| Ridgeway Arizona Oil | Bank One         | C.D. #4002112         | 11/28/94        | <u>\$15,000</u> |
| TOTAL                |                  |                       |                 | \$50,000        |

Ridgeway Arizona Oil Corporation has posted a \$50,000 blanket bond consisting of the three separate certificates of deposit listed above. The \$50,000 blanket bond covers up to 49 wells pursuant to A.A.C. R12-7-103.

The three separate certificates of deposit listed above represent a single \$50,000 blanket bond. They are not to be released individually until all wells drilled by Ridgeway Arizona Oil Corporation have been properly plugged and abandoned or otherwise released from Ridgeway's responsibility through either sale or transfer in accordance with the provisions of A.A.C. R12-7-103.

#### PERMITS COVERED BY THIS BLANKET BOND:

|            |                        |            |                        |
|------------|------------------------|------------|------------------------|
| <u>888</u> | TA Feb 1997            | <u>959</u> | Permitted Feb 04, 2008 |
| <u>895</u> | TA Mar 1997            | <u>960</u> | Permitted Feb 04, 2008 |
| <u>896</u> | SI Mar 2004            |            |                        |
| <u>897</u> | TA Mar 1997            |            |                        |
| <u>900</u> | TA May 1997            |            |                        |
| <u>916</u> | TA Oct 2004            |            |                        |
| <u>937</u> | TA Mar 2007            |            |                        |
| <u>938</u> | TA Feb 2007            |            |                        |
| <u>939</u> | TA Apr 2007            |            |                        |
| <u>940</u> | TA Apr 2007            |            |                        |
| <u>941</u> | TA Apr 2007            |            |                        |
| <u>942</u> | TA May 2007            |            |                        |
| <u>943</u> | TA May 2007            |            |                        |
| <u>944</u> | TA May 2007            |            |                        |
| <u>945</u> | TA Feb 2007            |            |                        |
| <u>946</u> | TA Mar 2007            |            |                        |
| <u>947</u> | TA May 2007            |            |                        |
| <u>948</u> | Permitted Jan 10, 2008 |            |                        |
| <u>949</u> | Permitted Jan 10, 2008 |            |                        |
| <u>950</u> | Permitted Jan 10, 2008 |            |                        |
| <u>952</u> | Permitted Jan 29, 2008 |            |                        |
| <u>953</u> | Permitted Jan 29, 2008 |            |                        |
| <u>954</u> | Permitted Jan 29, 2008 |            |                        |
| <u>955</u> | Permitted Jan 29, 2008 |            |                        |
| <u>956</u> | Permitted Feb 04, 2008 |            |                        |
| <u>957</u> | Permitted Feb 04, 2008 |            |                        |
| <u>958</u> | Permitted Feb 04, 2008 |            |                        |

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## Financial News

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Press Release

Source: Enhanced Oil Resources Inc.

# Enhanced Oil Resources Inc. provides drilling update; Tests 2.4 mmcfpd from Granite Wash well

Wednesday April 23, 11:43 am ET

HOUSTON, April 23 /CNW/ - Enhanced Oil Resources, Inc. (TSX-V: [EOR](#) - [News](#)) today announced the successful test of the 10-5-30 Granite Wash well at the Company's St. Johns Helium/CO(2) field located in Apache County, Arizona and Catron County, New Mexico.

Further to our last drilling update on April 2, 2008, the Company reports that the 10-5-30 well has been drilled and completed as a Granite Wash producer after testing CO(2) at a stabilized rate of 2.4 million cubic feet per day (MMcfpd).

EOR Inc.'s President and CEO Mr. Barry Lasker said, "As evidenced by the 10-5-30 well, our drilling team continues to deliver promising test results and we are encouraged that the Granite Wash/Granite reservoir can continue to deliver at rates higher than previous modeling has suggested."

The Patterson Rig has now moved to the 11-23-30 well, approximately 3 miles north of the 10-2-30 well, to evaluate the Granite Wash. The 11-23-30 well will be drilled with large diameter casing in an effort to repeat the excellent results at the 10-2-30 well, which recently tested CO(2) at rates as high as 6 MMcfpd.

The Company also reports that the Animas rig has drilled the 9-5-31 well, located approximately 2 miles south of the 10-29-31, and encountered a similar Granite Wash interval seen in that well. The well is currently at the Granite interface and waiting on minor repairs to the drill string. Once repairs are complete, the well will be drilled an additional 200 feet to evaluate the fractured/weathered basement.

The Key completion rig is now on location at the 12-34-29X well to help unload drilling fluid from the 1,000-foot lateral component drilled earlier. The well continues to flow considerable gas and fluid at a rate of 200 barrels of water per day. The Company remains encouraged that a water-free completion will be made at the well.

Lastly, the Company has set a whip stock in each of the Granite Wash and Amos Wash wells drilled at the 12-31-30 location in preparation for taking each well horizontal. The horizontal well permits have now been received and drilling of these laterals will commence once a rig comes available.

### About Enhanced Oil Resources

Enhanced Oil Resources, Inc. (EOR) is an early-stage company focused on developing the St. Johns Helium/CO(2) field, and producing oil via enhanced oil recovery processes using CO(2) injection in the United States. The Company owns and operates the St. Johns Field, the largest undeveloped CO(2) and helium field in North America.

### Forward-Looking Statement

Certain statements contained herein are forward-looking statements, including statements relating to Enhanced Oil Resources' operations; business prospects, expansion plans and strategies. Forward-looking information typically contains statements with

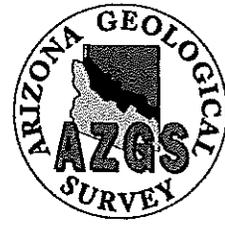
957



Janet Napolitano  
Governor

State of Arizona  
**Arizona Geological Survey**

416 W. Congress, Suite 100  
Tucson, Arizona 85701  
(520) 770-3500  
[www.azgs.az.gov](http://www.azgs.az.gov)



M. Lee Allison  
Director and State Geologist

February 4, 2008

Delwin Wengert  
County Manager  
P.O. Box 428  
St Johns AZ 85936

Re: Ridgeway Arizona Oil Corp 12-31-30 State (Permit 956); 12-31-30X State (Permit 957); 12-30-31 State (Permit 958); 10-29-31 State (Permit 959); and 10-29-31X State (Permit 960), Apache County

Dear Mr. Wengert:

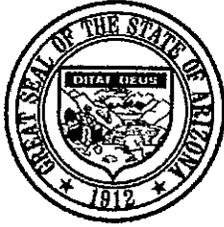
It is a policy of the Arizona Oil and Gas Conservation Commission to inform county government about proposed exploration and drilling activity. The referenced wells are being drilled in search of carbon dioxide gas. The Commission posts approved applications for permit to drill on its website at [www.azogcc.az.gov](http://www.azogcc.az.gov).

The Commission issues a permit to drill under A.R.S. § 27-513. The permit is issued for wells that are in compliance with applicable statutes (A.R.S. § 27-516) and rules (12 A.A.C. 7), which were promulgated to safeguard the public health and safety and protect the environment and natural resources.

Sincerely,

A handwritten signature in cursive script that reads "S L Rauzi".

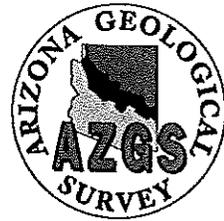
Steven L. Rauzi  
Oil and Gas Program Administrator



Janet Napolitano  
Governor

State of Arizona  
**Arizona Geological Survey**

416 W. Congress, Suite 100  
Tucson, Arizona 85701  
(520) 770-3500  
www.azgs.az.gov



M. Lee Allison  
Director and State Geologist

February 4, 2008

Mr. Tom White  
Ridgeway Arizona Oil Corp  
P O Box 1110  
St Johns AZ 85936

Re: Ridgeway Arizona Oil Corp 12-31-30 State (Permit 956); 12-31-30X State (Permit 957); 12-30-31 State (Permit 958); 10-29-31 State (Permit 959); and 10-29-31X State (Permit 960), Apache County

Dear Mr. White:

I have enclosed a copy of the approved Applications to Drill the referenced wells; Permits to Drill 956, 957, 958, 959 and 960; and filing-fee receipt #3150 for permits 958 and 959. Filing fee receipt 3143 for permit 956 and filing fee receipt 3149 for permits 957 and 960 were mailed previously.

The referenced applications are approved on the condition that Ridgeway Arizona Oil Corp conduct its operations in compliance with all applicable statutes and rules of the State of Arizona and that Ridgeway Arizona Oil Corp or its designated representative notify me at least 48 hours before you:

- Move in drilling equipment and commence operations,
- Run and cement surface casing, and
- Test the BOPE, and that Ridgeway or its designated representative:
- Post a sign at the well site pursuant to A.A.C. R12-7-106,
- Submit samples and other data pursuant to A.A.C. R12-7-121 and,
- Submit Sundry Notices summarizing daily progress and activity on at least a weekly basis through the completion of operations.

Sincerely,

Steven L. Rauzi  
Oil & Gas Administrator

Enclosures

c J. Dale Nations, Chairman, Oil and Gas Conservation Commission  
M. Lee Allison, Director and State Geologist

## Timeline

12-34-29X, 12-31-30X, 12-30-31X, 10-2-30X, 10-29-31X

Received applications 1-14-08

- Call & inform Tom White apps lack Surveyor's topo plats = he will send
- Call & discuss SUP's w/ Joe Dixon = may grant under previous(?)
- 12-30-31x lease expires 1-31-08(?)
- Joe will discuss w/ Mike Rice & get back to me about (?)

Received approval letter from State Land for 12-34-29X and 10-2-30X 1-29-08 (no approval for SUP for 12-31-30X and 10-29-31X)

Issued permit 953 (10-2-30X) and 954 (12-34-29X) 1-29-08

Call Joe Dixon and SUP approved for 12-31-30X and 10-29-31X

Issue permit 957 (12-31-30X) and 960 (10-29-31X) 2-4-08

Janet Napolitano  
Governor

ARIZONA STATE  LAND DEPARTMENT

Mark Winkleman  
State Land  
Commissioner

February 4, 2008

Mr. Thomas White  
Ridgeway Arizona Oil Corporation  
P.O. Box 1110 / 590 South White Mountain Drive  
St. Johns, Arizona 85936

957  
12-31-30X

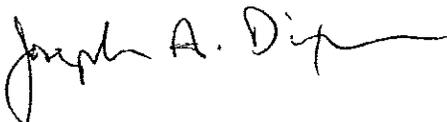
**Re: Approval of Twin Hole for Permit/Lease No. 13-110246 (well id no. 12-31-30X)**

Dear Mr. White:

The Arizona State Land Department (ASLD) has received your letter explaining the "Twin Well" concept and plan for oil and gas lease number 13-110246, well id no. 12-31-30X), sent by Ridgeway Arizona Oil Corporation (Ridgeway) on January 22, 2008 and received by the ASLD on January 25, 2008. After reviewing Ridgeway's letter, the ASLD agrees that twining the site is the most effective way of producing the CO<sub>2</sub> gas from the two different formations, can be done without disturbing any acreage outside of the existing archaeological survey, and herein grants Ridgeway permission to proceed with the twin well plan for well no. 12-31-30X. The drilling of the 12-31-30X twin well will be subject to the same "Conditions for Approval" document agreed upon earlier by Ridgeway for lease 13-110246.

If you have any questions or concerns, I may be contacted at the address on the letterhead, by e-mail at [jdixon@land.az.gov](mailto:jdixon@land.az.gov), or by phone at (602) 542-2688.

Sincerely,



Joseph A. Dixon  
Geologist

cc: Mike Rice, Manager, Minerals Section, Natural Resources Division, ASLD;  
Steve Rauzi, Oil and Gas Administrator, Arizona Geological Survey;  
Lease File

Janet Napolitano  
Governor

ARIZONA STATE  LAND DEPARTMENT

Mark Winkleman  
State Land  
Commissioner

January 24, 2008

Mr. Thomas White  
Ridgeway Arizona Oil Corporation  
P.O. Box 1110 / 590 South White Mountain Drive  
St. Johns, Arizona 85936

Re: Twin Holes for Permit/Lease Nos. 13-102946 (11-20-31), 13-104762 (12-34-29)  
and 13-110556 (10-2-30)

Dear Mr. White:

The Arizona State Land Department (ASLD) has received your letters explaining the "Twin Well" concept and plans for oil and gas lease numbers 13-102946 (well 11-20-31, permit #942), 13-104762 (well 12-34-29, permit #948) and 13-110556 (well 10-2-30, permit #950), sent by Ridgeway Arizona Oil Corporation (Ridgeway) on January 22, 2008. After reviewing the explanations, the ASLD agrees that twining the sites is the most effective way of producing the CO<sub>2</sub> gas from the two different formations, and can be done without disturbing any acreage outside of the existing archaeological survey.

Ridgeway's correspondence regarding the twin holes included letters for oil and gas lease numbers 13-110246 (well 12-31-30) and 13-110718 (well 10-29-31) for which the ASLD has not yet received applications, and therefore can not grant approval for any twin at this time.

If you have any questions or concerns, I may be contacted at the address on the letterhead, by e-mail at [jdixon@land.az.gov](mailto:jdixon@land.az.gov), or by phone at (602) 542-2688.

Sincerely,

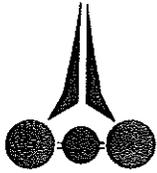
12-31-30X

= PIN 957



Joseph A. Dixon  
Geologist

cc: Mike Rice, Manager, Minerals Section, Natural Resources Division, ASLD;  
Steve Rauzi, Oil and Gas Administrator, Arizona Geological Survey;  
Lease File



# Ridgeway

Arizona Oil Corporation

St. Johns Helium/CO<sub>2</sub> Project

Tuesday, January 22, 2008

Arizona State Land Department  
1616 W. Adams  
Phoenix, AZ 85007

ATTN: Joe Dixon, Geologist

RE: Twin Well

Ridgeway Arizona Oil Corp. is requesting a twin location to AZ Oil and Gas Conservation Commission, well name State 12-31-30, AZ state lease # 13-110246.

Drilling and concurrently flow-testing or producing the carbon dioxide (CO<sub>2</sub>) reservoirs in upper Amos Wash formation and basal Oak Creek/Precambrian Granite formations is not possible from one well bore, as each vertically separated reservoir has different pressures that if co-mingled would result in thieving of CO<sub>2</sub> (from the deeper reservoir into the shallower). Thus, the operator will benefit by drilling a shallower well for testing, completing and producing the Amos Wash reservoir and subsequently drilling a second well to complete and produce from the Oak Creek/Precambrian Granite reservoir section. This "twin" well approach also facilitates testing of both shallow and deep reservoirs by air-drilling, which provides multiple advantages to the operator including cost-savings due to a smaller well site "footprint" needed for two well bores located on one well site drilling pad. It also provides greater revenue to the operator and other royalty beneficiaries including the State of Arizona. Drilling and producing "twin" wells further prevents waste of economic resources by allowing reservoir production to occur from both zones simultaneously as opposed to a single well producing said deeper reservoir first over its production life (likely in excess of 30-40 years), and then subsequently producing the shallower reservoir many years later. This twin well approach also facilitates more efficient reservoir drainage from both reservoirs by simplifying the process to cement casing and stimulate the reservoir zones, a crucial element that is required to establish commercial reservoir flow rates.

In conclusion the twin well approach will allow for better and more efficient reservoir drainage also less surface impact and disturbance, it will allow for Ridgeway to stay within the permitted area and not exceed the area covered by the archaeological survey.

Sincerely,

Thomas White  
Field Operations Supervisor  
Ridgeway AZ. Oil Corp

cc: Oil & Gas Lease 13-110246

12-31-30 X

957

12-31-30 X