

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS

400 W. King Street, Suite 106
Carson City, Nevada 89703
(775) 684-7040 ! Fax (775) 684-7052

RECEIVED

MAY 29 2012

Division of Minerals

APPLICATION FOR PERMIT TO DRILL AN OIL OR GAS WELL

(Application must be accompanied by \$200 permit fee. Submit proposed drilling program with this application.)

Company/Operator MAKOIL INC

Send permit to:

Street/ PO Box HC 76 BOX 10300

City TONOPAH

State NV

Zip 89049

Telephone 775-863-0300

Lease name PORTUGUESE MTN.

WELL LOCATION

		X		

Well No. 14A-12 within the SE ³ SW ³

Sec 12, T. 10N, R. 56E M.D.B.M.

UTM Northing _____ N; UTM Easting _____ E (Using NAD27 Datum)

Note: Please convert UTM's from NAD83 to NAD27

Field WILDCAT

County NYE

The well is 921 feet from (N) (S) line and
and 3167 feet from (E) (W) line of the section.

(Give location from section line, cross out wrong directions.)

Distance and direction from nearest town 34 MILES WEST FROM CURRANT NV

If patented land, Fee Owner is _____

Section 12

Locate well correctly.

Fee Owner Address _____

If government land, lease serial No. is N75939

Land Type: Federal (BLM, USFS, etc.) Private State

Lessee is NOBLE ENERGY, INC

Address 100 GLENBOROUGH DR., STE 100 HOUSTON TX 77067

It is proposed to drill the well to a depth of 7000 feet using a rotary rig.

The elevation is 4893 feet above sea level.

The KB will be 12

If this is a wildcat well, attach plat by licensed surveyor showing location.

The status of a bond for this well is conformance with NRS 522.230 of the Nevada Revised Statutes is:

IN GOOD STANDING

If bond posted with U.S. Government, what is name of surety company?

RLI INSURANCE

Bond number? RLB 005804

I certify that I have personal knowledge of the facts above stated and that they are true, correct, and complete.

Signed *Jamie Drayton*
Name JAMIE DRAYTON
Position OFFICE MANAGER
Date 5/25, 20 12

Permit No. 928
API No. 27-023-05619
Approval Date 6/15/12
By *Alan R. Ryan*

CONDITIONS OF PERMIT

1. Please send daily drilling reports to : Lowell Price.....lprice@govmail.state.nv.us
and
Lindalwells@govmail.state.nv.us
2. Additional Conditions/Comments

A.	<i>See attached COA's.</i>
B.	
C.	

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**OIL, GAS, AND GEOTHERMAL
SUNDRY NOTICE AND REPORT ON WELLS**

- | | |
|---|--|
| <input type="checkbox"/> Notice of Intention of Change Plans | <input type="checkbox"/> Subsequent Report of Water Shut-Off |
| <input type="checkbox"/> Notice of Intention to Test Water Shut Off | <input type="checkbox"/> Subsequent Report of Reopening or Repair |
| <input type="checkbox"/> Notice of Intention to Reopen or Repair Well | <input type="checkbox"/> Subsequent Report of Shooting or Acidizing |
| <input type="checkbox"/> Notice of Intention to Shoot or Acidize Well | <input type="checkbox"/> Subsequent Report of Altering Casing |
| <input type="checkbox"/> Notice of Intention to Pull or Alter Casing | <input type="checkbox"/> Supplementary Well History |
| <input type="checkbox"/> Notice of Intention to Abandon Well | <input checked="" type="checkbox"/> Notice of Intention to Fracture Treat Formation(s) |
| <input type="checkbox"/> Other (state) _____ | <input type="checkbox"/> Other (state) _____ |

(Indicate above by check mark, nature of report, notice or other data.)

Permit Number 928 Well No. 14A-12 County NYE
Company Name MAKOIL INC Field or Area WILDCAT
Farm or Lease PORTUGUESE MT Date 05/20/2013

DETAILS OF WORK

(State names of and expected depths to objective zones or formations: show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and ALL other pertinent data.) Attachments permitted if necessary.

1. POOH tubing
2. Set wireline CIBP at 5270'
3. Dump bail 20' cement to 5250'
4. Wait 24 hours. Pressure test casing and well head to 4000 psi for 30 minutes.
5. Perforate 4 spf 5040'-5048', 5086'-5092', 5122'-5128.
6. Follow NuTech hydraulic fracturing procedures, (attached).
7. Test well for production.

I understand that this plan of work must receive approval in writing of the Division of Minerals before operations may be commenced.

Company MAKOIL INC
Address HC 76 BOX 10300
TONOPAH NV 89049
Name JAMIE DRAYTON
Position FIELD OFFICE MANAGER
Signature *Jamie Drayton*

DO NOT WRITE IN THE SPACE BELOW

Approved by *Alan R. Ryan*
Position Administrator
Date 9/3/13

REMARKS:

Please adhere to: 1. BLM Conditions of Approval for Hydraulic Fracturing and water disposal. 2. UIC Conditions of Approval for water disposal.

Conditions of Approval:

1. Correct #3 of the procedure, need at least 35 ft of cement when using a dump bailer in accordance with the Onshore Order No. 2.iii. The bridge plug is capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.
2. Once pressure build up breaks sharply, the pump will be shut down and all pressure bleed off.
3. Will search out possible locations in the valley which monitors seismic activities and obtain base line data prior to hydraulic fracturing. We also obtain reports from the organization that monitor the results and send them to the BLM and NDOM. These reports will be obtained daily during the process and the following week after.
4. The flowback water shall be tested and send to the BLM and NDOM prior to injecting in the Munson Ranch well. Also, must follow the guideline set out in the Onshore Order No. 7 - Disposal of Produced Water.
5. A list of all chemicals to be used in a hydraulic fracturing operation will be provided. The listing shall include the following: trade name, supplier, purpose, ingredients, Chemical Abstract Service Number [CAS#], maximum ingredient concentration in additive [% by mass], and maximum ingredient concentration in the hydraulic fracturing fluid [% by mass].
6. The source and estimated volume of fresh water required for each well completion process will be identified and provided.
7. Identify how the fresh water for the hydraulic fracturing completion operation will be stored at well site. If fresh water is to be stored in lined surface pit(ump) rather than Baker tanks, or similar storage vessel, additional approvals from the BLM may be required.
8. Following the HF procedure, if deemed necessary by the authorized officer, a Imaging Log or an ultrasonic equivalent, will be run over the length of the well from TD to surface.
9. All pressures applied during the hydraulic fracturing process will be monitored and recorded. Maximum hydraulic pressure approved is not to be exceeded. Recorded hydraulic fracturing pressures will be provided on a sundry notice to the BLM.
10. Hydraulic fracturing fluids that are flowed back from the wellbore at the conclusion of the hydraulic fracturing process are to be placed and stored in Baker tanks, or similar storage vessel. Approval by the Nevada Division of Environmental Protection will be obtained if an alternative storage of the wastewater is to be utilized. The method and location for final disposal of the flowback fluids must be approved by the Nevada Division of Minerals and the Nevada Division of Environmental Protection.

11. The amount and type of chemicals used in the hydraulic fracturing operation shall be reported to www.fracfocus.org within 30 days of hydraulic fracturing completion for public disclosure.

12. Notify all regulatory agencies 24 hours prior to commencing program.

13. Ensure that all equipment is contained within the approved disturbance area.

14. Ensure that all safety related equipment is operational prior to commencing any treatment i.e. blooie line, gas buster, flare stack, pressure control equipment.