

PAXTON

Responsible Energy Development

August 22, 2012

Washtenaw County Clerk
200 N. Main St.
Ann Arbor, MI 48107-8645

RE: Girbach D4-27 HD 1 Well
E/2SE/4SW/4, SW/4SE/4, W/2SE/4SE/4 of Sec 27, T4S-R5E
Saline Township, Washtenaw County, MI

Dear Ladies and Gentlemen:

Paxton Resources, L.L.C. hereby notifies you that we have filed an application with the Michigan Department of Environmental Quality to drill an exploratory oil and gas well. Enclosed for your information is a copy of the first page of the drilling application and the supplemental plat.

If you have any questions, please call me at (989) 732-9400 x 211.

Yours truly,



Becky A. Farmer
Landman

Enclosure

FILED
WASHTENAW COUNTY, MI
2012 AUG 28 P 12:09
PAXTON RESOURCES, L.L.C.
20917 CANTON/ALBION RD
ANN ARBOR, MI 48107





APPLICATION FOR PERMIT TO:

DRILL **DEEPEN** **CONVERT**
AND OPERATE A WELL

By authority of Part 615 or Part 625 of Act 451 PA 1994, as amended.
 Non-submission and/or falsification of this information
 may result in fines and/or imprisonment.

1a. Part 615 Supervisor of Wells
 Oil and Gas
 Brine Disposal
 Hydrocarbon Storage
 Injection for Secondary Recovery

1b. Part 625 Mineral Wells
 Waste Disposal
 Brine Production
 Processed brine disposal
 Storage
 Test, fee sched. on rev.

1c. Fee enclosed
 Yes
 No, revision of application
 No, leg of horz drainhole

2. List all previous permit numbers
 3. Fed. Employer ID. No. or Soc. Security No. 38-3234608

4. Conformance bond
 Blanket Single well
 5. Attached On file
 6. Bond number 98037
 7. Bond amount 250,000

8. Applicant (name of permittee as bonded)
 Paxton Resources L.L.C.

9. Address
 132 N Otsego
 Gaylord, MI. 49735
 Phone (989) 732-9400
 I authorize DEQ 4 additional days to process this application.
 Yes No

10. Lease or well name (be as brief as possible) Well number
 Girbach D4-27 HD1

11. Surface owner
 Girback

12. Surface location NE 1/4 of SE 1/4 of SW 1/4 of Sec 27 T 4S R 5E Township Saline County Washtenaw

13. If directional, bottom hole location SW 1/4 of SE 1/4 of SE 1/4 of Sec 27 T 4S R 5E Township Saline County Washtenaw

14. The surface location for this well is 925 feet from nearest (N/S) South section line AND 2471 feet from nearest (EW) West section line

15. Is this a directional well? No Yes If yes, complete line 15. The bottom hole location for this well is 331 feet from nearest (N/S) South section line AND 1102 feet from nearest (EW) East section line

16. The bottom hole location (whether straight or directional) of this well is 331 feet from nearest (N/S) South drilling unit line AND 426 feet from nearest (EW) East drilling unit line

17. Kind of tools Rotary Cable Combination
 18. Is sour oil or gas expected? No Yes H₂S Cont. plan enclosed
 19. Base of lowest known fresh water aquifer Formation Base of Drift Depth 200'

20. Intended total depth MD 4646 TVD 3047
 21. Formation at total depth Trenton/Black River
 22. Producing/injection formation(s) Trenton/Black River
 23. Objective pool, field, or project Exploratory

24. PROPOSED DRILLING, CASING AND CEMENTING AND SEALING PROGRAM

HOLE			CASING			CEMENT			MUD		
Depth (MD)	Geol. Formation	Bit Dia.	O.D. Size	Wt/Ft	Grade Condition	Depth (MD)	Sacks	T.O.C.	W.O.C	Wt.	Vis.
80		None	16	60#	Conductor New	80	None			N/A	N/A
360	Antrim	14 3/4	11 3/4	42#	L.S. New	360	220	surf.	12	9.8	45
1250	Bass Island	10 3/4	8 5/8	24#	New J55	1250	275	surf.	12	8.4	29
4646	Trent/Blck Rvr	7 7/8	5 1/2	15.5#	New J55	4646	415	1200	N/A	8.4	29

25. DETAIL CEMENTING PROGRAM. IDENTIFY ALL CEMENT CLASSES, ADDITIVES, AND VOLUMES (IN CU. FT.) FOR EACH CASING STRING.
 Surface 100 sks 65/35 cmt light weight yield of 1.7 cu ft/sk w/3% CaCl + 120 sks of Class A w/ 3% CaCl
 Intermediate 100sks 65/35 cmt light weight yield of 1.7 cu ft/sk w/3% CaCl +175 sks Class A w/ 3% CaCl
 Production/Injection 215 sks 65/35 cement light weight yield of 1.7 and 200 sks Class A yield of 1.2 w/3% CaCl

26. Send correspondence and permit to
 Name Mark Bailey E-mail mbailey@paxtonenergy.com
 Address 132 N Otsego Avenue Gaylord, MI, 49735 Phone (989) 732-9400

CERTIFICATION "I state that I am authorized by said applicant. This application was prepared under my supervision and direction. The facts stated herein are true, accurate and complete to the best of my knowledge."

27. Application prepared by (print or type) Phone
 Mark Bailey (989) 732-9400
 28. Signature Date
 Mark Bailey 08-22-2012

Enclose permit fee of \$300 for all Part 615 wells; \$2,500 for a Part 625 waste disposal well; or \$500 for a brine production, processed brine disposal, or storage well. Make checks payable to State of Michigan.

DEQ Cashier use only.

Office of Geological Survey Use Only

Permit number	API number	Date issued	Owner number
			11



