Arizona Department of Water Resources
Information Management Unit
PO Box 36020 • Phoenix, Arizona 85067-36020
(602) 771-8527 • 602-771-8500

Project Completion Report for Mineral Exploration Drilling

207

- Review instructions prior to completing form in black or blue ink.
- This report should be prepared by the well owner or exploration firm in detail and filed with the Department within 30 days following completion of the project as a whole.

FILE NUMBER: D(9-17) 15 000
WELL REGISTRATION NUMBER: 55 - 918325

** PLEASE PRINT CLEARLY **

SECTION 1. LOCATION OF WELL

WELL LOCATION ADDRESS (IF ANY):

TOWNSHIP (N/S)	RANGE (E/W)	SECTION	160 ACRE	40 ACRE	10 ACRE
9S	16E	15	1/4	1/4	1/4

SECTION 2. OWNER INFORMATION

Well Owner

FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL: BHP MINERALS RESOURCES

MAILING ADDRESS: 28545 S. VETERANS MEMORIAL BOULVD.

CITY / STATE / ZIP: SAN MANUEL, AZ, 85631

CONTACT PERSON NAME AND TITLE: Mr. Juan Fajardo Sr. Exp. Geo

TELEPHONE NUMBER: 520 247-6194 520-385-3181

FAX:

SECTION 3. DRILLER AUTHORIZATION

Drilling Firm

NAME: NATIONAL EWP, INC.

DWR LICENSE NUMBER: 823

TELEPHONE NUMBER: 480-558-3500

FAX:

RECEIVED
OCT 27 2015
ARIZONA DEPARTMENT OF WATER RESOURCES

SECTION 4.

DATE DRILLING PROJECT STARTED: 6-23-15

DATE DRILLING PROJECT COMPLETED: 6-28-15

NUMBER OF HOLES: 1

MAXIMUM DEPTH OF BORING: 154D ft. below land surface

Casing (if installed)

OUTER DIAMETER (inches)	MATERIAL (T) STEEL	PVC	ABS	IF OTHER TYPE, DESCRIBE

Geologic Log of Well

CHECK ONE
☐ Unconsolidation Formation
☒ Consolidated Formation

STATIC WATER LEVEL (IF ENCOUNTERED OR DETECTED) FEET BELOW LAND SURFACE

SECTION 5. ACTUAL WELL ABANDONMENT DESIGN (if abandoned)

Casing Treatment (if applicable)

DEPTH FROM SURFACE FROM (feet)	TO (feet)	MATERIAL (T) SONAR JET	BRUSH OR SCRAPE	MILLS KNIFE	CASING REMOVAL (explain in Remarks)	IFOTHER TYPE, DESCRIBE OR IF CASING WAS PERFORATED, DESCRIBE SPACING AND SIZE OF PERFORATIONS THAT WERE ADDED

SEALING OR FILL MATERIAL

DEPTH FROM SURFACE FROM (feet)	TO (feet)	MATERIAL (T) NEAT CEMENT	CONCRETE	SAND-CEMENT GROUT	CEMENT-BENTONI GROUT	SAND-BENTONITE GROUT	HIGH SOLIDS BENTONITE GROUT	CHIPS	PELLETS	SAND	MIXING RATIO BY (check one) ☐ Weight ☒ Volume	VOLUME OF MATERIAL USED (cubic feet)
0	20	X										1.5
21	154D						X					32D

I state that this report is filed in compliance with A.A.C. R12-15-817(C) and is complete and correct to the best of my knowledge and belief.

SIGNATURE OF QUALIFYING PARTY: Tom [illegible] General Manager

DATE: 9-11-15

ARIZONA DEPARTMENT OF WATER RESOURCES

Phoenix, Arizona 85012

DRILLING CARD

THIS AUTHORIZATION SHALL BE IN POSSESSION OF THE DRILLER DURING ALL DRILLING OPERATIONS

WELL REGISTRATION NO: **55-918325**

AUTHORIZED DRILLER: **NATIONAL EWP, INC.** LICENSE NO: **823**

NOTICE OF INTENT TO **DRILL AND ABANDON A SPCL - MINERAL EXPLORATION WELL** HAS BEEN FILED WITH THE

WELL OWNER: **BHP MINERALS RESOURCES**

ADDRESS: **28545 S. VETERANS MEMORIAL BOULVD., SAN MANUEL, AZ, 85631**

THE WELL(S) IS/ARE TO BE LOCATED IN THE:

1/4 of the 1/4 of the 1/4 Section **15** Township **09 S** Range **17 E**

NO. OF WELLS IN THIS PROJECT: **1**

THIS AUTHORIZATION EXPIRES AT MIDNIGHT ON THE DAY OF **6/19/2016**

THE DRILLER MUST FILE A WELL DRILLER REPORT AND WELL LOG WITHIN 30 DAYS OF COMPLETION OF DRILLING

This drilling or abandonment authority was granted based upon the certifications made by the above-named Driller in the notice of intent to drill or abandon. Those certifications, along with any variances granted, are listed below. By drilling or abandoning the well pursuant to this authorization, the above-named driller acknowledges the accuracy of the driller certifications. If the certifications are in error, this authorization is invalid and driller must contact the Department of Water Resource's NOI Section in writing at the addres above to correct.

Variance(s) Granted To Driller:**None**

Certification(s) Made By Driller:

- þ By checking this box, I certify that I have all necessary Registrar of Contractor (ROC) licenses in all necessary license categories for this drilling or abandonment project and that those licenses are current.
- þ By checking this box, I certify that I have been authorized by the above-named well owner to submit this Notice of Intent on the well owner's behalf.
- þ By checking this box, I certify that the information above is complete and correct, and that the well shall be drilled or abandoned in compliance with all pertinent statutes and rules, including any special standards that may be required to protect the aquifer or other water sources.
- þ By checking this box, I certify that this NOI application is not an application to replace, deepen, or modify an existing well.
- þ By checking this box, I understand that the Authorization to drill this well DOES NOT constitute or guarantee an approval to use the well for the purpose of withdrawing groundwater for transportation to an Active Management Area (AMA) pursuant to A.R.S. § 45-552, 45-553, 45-554 or 45-555(A) without official prior approval from the Department.

ARIZONA DEPARTMENT OF WATER RESOURCES
Electronic Filing - NOI Report

Phoenix, Arizona

NOI Type: Notice of Intent to Drill and Abandon an Exploration/Speciality Well
Well Type: SPCL - MINERAL EXPLORATION
Date Received at ADWR Website: 6/19/2015

Fee Paid: $150.00 Order Number: -3814

Well Registration Number: 55 - 918325
Number of Wells/Holes: 1 Drilling Authority Expires On: 6/19/2016

Driller's ADWR License Number: 823

Authorized Driller: NATIONAL EWP, INC.
ROC License Number Entered By Driller: 269329
Qualifying Party License Categories: A-4

Well Owner Name: BHP MINERALS RESOURCES
Well Owner Address: 28545 S. VETERANS MEMORIAL BOULVD.
Well Owner City, State - Zip: SAN MANUEL, AZ - 85631
Well Owner Phone: 520 247-6194

Is the Land Owner the same as the Well Owner?: Yes

Well Location: 1/4 of the 1/4 of the 1/4 Section **15** Township **9 S** Range **17 E**

AMA: NOT WITHIN ANY AMA OR INA
County: PINAL
Contamination Site: NOT IN A REMEDIAL ACTION SITE

Primary Water Use: **TEST**
Secondary Water Use(s): **N/A**

Is any portion of the land, on which the well is to be located, within 100 feet of a designated municipal provider's operating water distribution system as shown on the municipal provider's most recent digitized service area map filed by the municipal provider with the director of ADWR. **N/A**

Will the installed pump have a pumping capacity of greater than 35 GPM, or will the well will be used to withdraw greater than 10 Acre Feet per year?: **N/A**

Variance(s) Granted To Driller: **None**

Certification(s) Made By Driller:

- b By checking this box, I certify that I have all necessary Registrar of Contractor (ROC) licenses in all necessary license categories for this drilling or abandonment project and that those licenses are current.
- b By checking this box, I certify that I have been authorized by the above-named well owner to submit this Notice of Intent on the well owner's behalf.

By checking this box, I certify that the information above is complete and correct, and that the well shall be

- þ drilled or abandoned in compliance with all pertinent statutes and rules, including any special standards that may be required to protect the aquifer or other water sources.
- þ By checking this box, I certify that this NOI application is not an application to replace, deepen, or modify an existing well.
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Arizona Department of Water Resources
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PO Box 36020 l Phoenix, Arizona 85067-36020
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D(9-17) 15 000

WELL REGISTRATION NUMBER
55 - 918325

** PLEASE PRINT CLEARLY **

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WELL LOCATION ADDRESS (IF ANY)

TOWNSHIP (N/S)	RANGE (E/W)	SECTION	160 ACRE 1/4	40 ACRE 1/4	10 ACRE 1/4

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FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL
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MAILING ADDRESS
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CITY / STATE / ZIP
SAN MANUEL, AZ, 85631

CONTACT PERSON NAME AND TITLE

TELEPHONE NUMBER
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NUMBER OF HOLES

MAXIMUM DEPTH OF BORING
ft. below land surface

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Geologic Log of Well

CHECK ONE
☐ Unconsolidation Formation
☐ Consolidated Formation

STATIC WATER LEVEL (IF ENCOUNTERED OR DETECTED)
FEET BELOW LAND SURFACE

SECTION 5. ACTUAL WELL ABANDONMENT DESIGN (if abandoned)

Casing Treatment (if applicable)

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I state that this report is filed in compliance with A.A.C. R12-15-817(C) and is complete and correct to the best of my knowledge and belief.

SIGNATURE OF QUALIFYING PARTY

DATE

Project Completion Report for Mineral Exploration Drilling

Introduction

These instructions are a guide to filling out Form DWR 55-57 (Rev. 06/15/2010), entitled "Project Completion Report for Mineral Exploration Drilling." Please review the instructions prior to completing the form in black or blue ink. Forms may be obtained at any Arizona Department of Water Resources (ADWR) office and at ADWR's web site, http://www.azwater.gov. For information about the form or these instructions, contact Groundwater Permitting & Wells at (602) 771-8500. There is no fee for filing this form.

When Form DWR 55-57 Must be Filed

A Project Completion Report for Mineral Exploration Drilling must be filed within 30 days following the completion of the mineral exploration project as a whole. The well owner or exploration firm must file the report.

Instructions for Filling out the Form

Well Registration Number

Fill in the registration number of the well in the space in the upper right-hand corner of the form. This is the number ADWR assigned to the well when the well was registered or when an application to drill the well was filed.

Section 1 - Location of Well

Fill in the following information relating to the location of the well:

- The street address of the property where the well was drilled, if the property has a street address.
- The legal description of the well site. The legal description is the township, range, section, and in decreasing order, the quarters of that section so that the well location falls in a 10- acre block within that section.

Section 2 -Owner Information

Well Owner
Fill in the name, mailing address and telephone and fax numbers of the owner of the well. If the well owner is a corporation, governmental unit or other entity, provide the name of a contact person.

Section 3 - Drilling Authorization

Fill in the name, DWR license number and telephone and fax numbers of the drilling firm that drilled the well.

Section 4

Section 4 contains three tables for providing information on the project. Fill in

- The date the project started.
- The date the project ended.
- The number of holes drilled during the project.
- The depth of the boring (in feet) below land surface. If the project includes more than one boring, list the depth of the deepest hole.

In the **Casing** table, fill in the outer diameter of the casing in inches, and then check the appropriate box indicating whether the casing is steel, PVC or ABS. If the type of casing is not listed, describe the type of casing in the space provided.

In the **Geologic Log of Well** table, check the appropriate box indicating the type of formation encountered. If the formation type is consolidated, fill in the static water level, as measured in feet below the land surface, if encountered or detected.

Section 5 - Actual Well Abandonment Design

Section 5 requires information on the actual well abandonment design, if abandoned. The two tables below that box require information on the casing treatment and the sealing or fill material.

In the **Casing Treatment** table, check the appropriate

box indicating the type of casing treatment that was used. If the casing was removed, check the “casing removal” box and provide a description of the removal technique in “Remarks.” If the type of casing treatment that was used is not listed, explain the treatment in the appropriate box. If the casing was perforated during treatment, describe the size and frequency of perforations for each interval. The casing treatment must be indicated by depth interval, and the depth interval must be filled in.

In the **Sealing or Fill Material** table, check the appropriate box indicating the sealing or fill material that was used. Note any changes by depth interval. Also, fill in the mixing ratio of the material and check the appropriate box indicating whether the ratio is by weight or volume. Finally, fill in the volume of material used for each depth interval.

Signature Block

The form must be signed and dated by the well owner or exploration firm.

Where to File Form

Completed forms may be mailed to ADWR at the following address:

Arizona Department of Water Resources
Water Management Division
PO Box 36020
Phoenix, AZ 85067-36020

Completed forms may also be submitted to ADWR’s main office at 3550 North Central Avenue, Second Floor., Phoenix, AZ 85012

The completed form must be legible and of good quality when received by ADWR so that it can be scanned into ADWR’s permanent records.

ARIZONA DEPARTMENT of WATER RESOURCES
3550 North Central Avenue, Second Floor
Phoenix, Arizona 85012
602-771-8500
azwater.gov

6/19/2015

BHP MINERALS RESOURCES
28545 S. VETERANS MEMORIAL BOULVD.
SAN MANUEL, AZ 85631

DOUGLAS A. DUCEY
Governor

THOMAS BUSCHATZKE
Director

Registration No.: 55- 918325
File Number: D(9-17) 15 000

Dear Well Applicant:

Enclosed is a copy of the Notice of Intention to Drill and Abandon (NOI) an Exploration/Specialty Well which you or your driller recently filed with the Department of Water Resources. This letter is to inform you that the Department has approved the NOI and has mailed, or made available for download, a drilling authorization card to your designated well drilling contractor. The driller may not begin drilling until he/she has received the authorization, and must keep it in their possession at the well site during drilling.

Well drilling activities must be completed within one year after the date the NOI was filed with the Department. If drilling is not completed within one year, a new NOI must be filed and authorization from this Department received before proceeding with drilling. If the well cannot be successfully completed as initially intended (dry hole, cave in, lost tools, etc.), the well must be properly abandoned and a Well Abandonment Completion Report must be filed by your driller [as required by A.A.C. R12-15-816(F)].

If you change drillers, you must notify the Department of the new driller's identity on a Request to Change Well Information (form 55-71A). Please ensure that the new driller is licensed by the Department to drill the type of well you require. A new driller may not begin drilling until he/she receives a new drilling authorization card from the Department.

If you find it necessary to change the location of the proposed well(s), you may not proceed with drilling until you file an amended NOI with the Department. An amended drilling authorization card will then be issued to the well drilling contractor, which must be in their possession before drilling begins.

State statute requires the drilling contractor to file a complete and accurate Well Drillers Report and Well Log (form 55-55) within 30 days after completion of drilling. A Well Abandonment Completion Report (form 55-58) must also be completed by the drilling contractor for geotechnical wells that are drilled and abandoned. Blank report forms were provided to your driller with the drilling authorization card. If a well must be abandoned during the drilling, a Well Abandonment Completion Report (form 55-58) must be completed and submitted to the Department. You should insist and ensure that all of the required reports are accurately completed and timely filed with the Department.

Please be advised that Arizona statute [A.R.S. § 45-593(C)] requires a registered well owner to notify the Department of a change in ownership of the well and/or information pertaining to the physical characteristics of the well in order to keep this well registration file current and accurate. Any change in well information or a request to change well driller must be filed on a Request to Change Well Information form (form 55-71A) that may be downloaded from the ADWR Internet website at www.azwater.gov.

Sincerely,

Groundwater Permitting and Wells Section

ARIZONA DEPARTMENT of WATER RESOURCES
3550 North Central Avenue, Second Floor
Engineering and Permits Division
Phoenix, AZ 85012
602-771-8500

NOTICE TO WELL DRILLERS

This is a reminder that a valid drill card be present for the drilling of each and every well constructed on a site.* The problem seems to occur during the construction of a well when an unexpected problem occurs. Either the hole collapses, the hole is dry, a drill bit is lost and can't be recovered, or any number of other situations where the driller feels that he needs to move over and start another well. If you encounter this type of scenario, please be aware drillers do not have the authority to start another well without first obtaining drilling authority for the new well. Please note the following statutes and regulations pertaining to well drilling and construction:

ARIZONA REVISED STATUTE (A.R.S.)

A.R.S. § 45-592.A.

A person may construct, replace or deepen a well in this state only pursuant to this article and section 45-834.01. The drilling of a well may not begin until all requirements of this article and section 45-834.01, as applicable, are met.

***

A.R.S. § 594.A.

The director shall adopt rules establishing construction standards for new wells and replacement wells, the deepening and abandonment of existing wells and the capping of open wells.

***

A.R.S. § 600.A

A well driller shall maintain a complete and accurate log of each well drilled.

ARIZONA ADMINISTRATIVE CODE (A.A.C.)

A.A.C. R12-15-803.A.
A person shall not drill or abandon a well, or cause a well to be drilled or abandoned, in a manner which is not in compliance with A.R.S. Title 45, Chapter 2, Article 10, and the rules adopted thereunder.

****

A.A.C. R12-15-810.A.
A well drilling contractor or single well licensee may commence drilling a well only if the well drilling contractor or licensee has possession of a drilling card at the well site issued by the Director in the name of the well drilling contractor or licensee, authorizing the drilling of the specific well in the specific location.

****

A.A.C. R12-15-816.F.
In the course of drilling a new well, the well may be abandoned without first filing a notice of intent to abandon and without an abandonment card.

*** THIS REQUIREMENT DOES NOT PERTAIN TO THE DRILLING OF MINERAL EXPLORATION, GEOTECHNICAL OR HEAT PUMP BOREHOLES**

Arizona Department of Water Resources
Groundwater Permitting and Wells Section
PO Box 36020 , Phoenix, AZ 85067-36020
(602) 771-8527 ▪ 1-800-352-8488
www.azwater.gov

Landowner Authorization to Drill or Abandon a Well on Landowner's Parcel

Landowner Authorization to Drill or Abandon a Well by a Third Party on Landowner's Parcel Pursuant to A.R.S. § 45-596 and A.A.C. R12-15-809

FILE NUMBER
D(9-17) 15 000
WELL REGISTRATION NUMBER
55 - 918325

The Arizona Department of Water Resources requires a well driller or well owner to obtain written permission from the owner of the land on which they intend to drill or abandon a well. Landowners, or their designated representative, must authorize the well to be drilled or abandoned with their signature on the Notice of Intent or on this form, to be attached to the Notice of Intent form.

PARCEL ADDRESS _____

COUNTY PARCEL ID _____ - _____ - _____ COUNTY PINAL

BOOK MAP PARCEL

In accordance with A.R.S. § 45-496 and A.A.C. R12-15-809, I certify that:

¨ I am the owner of the parcel on which I am giving permission for a well to be ¨ drilled or ¨ abandoned.

¨ I am an authorized representative of the owner of the parcel on which I am giving permission for a well to be ¨ drilled or ¨ abandoned.

SIGNATURE	
TYPE OR PRINT NAME OF LANDOWNER / RESPRESENTATIVE	TITLE
SIGNATURE	DATE SIGNED