

APACHE OIL & HELIUM MACIE STATE
NW SE 34-T20N-R26E APACHE CO. 29

P-W

October 3, 1955

APACHE OIL & HELIUM LEASE-MACIE #2

Secs: 33, 20 & 24-Navajo County Arizona

Drilling Casing-Re-drilling and Cleaning Out Hole--Run Casing under the Supervision of Stephan Reiss of Simi, California.

(P/N 10) see comment below * see P/N 29 Macie #3

Date	Activity	Hrs.	Notes
7-16-55	Rig & Crew --17 hrs. -- -- Move in.		
7-17-55	" " " 1 1/2 hrs. --		
7-18-55	" " " 14 "		
7-19-55	" " " 8 "		
7-20-55	Off	0	
7-21-55	Rig & Crew	9	
7-22-55	Rig & Crew	3-1/2	
7-23-55	" " "	10	
7-24-55	" " "	10	Helper only.
7-25-55	Rig & Crew	10	
7-26-55	" " "	11	
7-27-55	" " "	11-1/2	
7-28-55	" " "	6	
7-29-55	" " "	6	
7-30-55	" " "	4	
7-31-55	" " "	11	
8-1-55	" " "	11	
8-2-55	" " "	11	
8-3-55	" " "	9	
8-4-55	" " "	9	
8-5-55	" " "	8	
8-6-55	Off		
8-7-55	Rig & Crew	9	
8-8-55	(Dry Hole at 375')	12	300'-casing back in hole. -Well gassing put on blow-out-head.
8-9-55	Perfect Water shut off - - -	12	
8-10-55	Hauled Water for drilling - -	12	
8-11-55		12	Still heaving at 700'
8-12-55		12	
8-13-55		12	
8-14-55		12	Pipe to 900'
8-15-55		12)
8-16-55		12)
8-17-55		12)
8-18-55		12)
8-19-55		12) -Blow out all water &
8-20-55		12) rocks at 1020'
8-21-55		12) Drilling
8-22-55		12)
8-23-55		12)
8-24-55	OFF		
8-25-55		10)
8-26-55		8)
8-27-55		8)
8-28-55		12)
8-29-55		12)
8-30-55		12)
8-31-55		12)

9-1-55 -Rig & Crew 12 Hrs.
 9-2-55 12 "
 9-3-55 12 "
 9-4-55 12 "1924 feet hole drilled to
 9-5-55 12 "1940'-formation
 9-6-55 12 forced up in
 9-7-55 12 pipe 150'-put
 9-8-55 12 in 2000 gals
 9-9-55 12 water-gained
 9-10-55 12 140 feet--
 9-11-55 12 changed tools
 9-12-55 12 --
 9-13-55 12 Supplies & tools.
 9-14-55 12 Cleaning out
 9-15-55 12 Hole.
 9-16-55 12 Hole Heaving
 9-17-55 12
 9-18-55 12
 9-19-55 12 Get Jelly.
 9-20-55 12 Mixing mud &
 9-21-55 12 Pulling &
 9-22-55 12 working pipe.
 9-23-55 12 Worked pipe &
 9-24-55 12 pulled to 1100'
 9-25-55 12 for Helium sand
 Reiss says less
 full of mud jell.

Start #3. Located by Dr. Ralph Arnold and Stephen Reiss. Results of #3 will tell Reiss whether to make Hydrocarbon or Helium with #2 well--good Helium #2 now.

10-3-55
 Surveyor to finish 10-9-55-Rig & camp being moved to new location.
 Well capped temporarily
 Operator: A. T. House, Sr. - Trustee
 Driller: W. J. McGray

Signed A. T. House, Sr. Trustee

Well capped until #3 is completed. If we get a greater amount of Helium out of #3, then we will go back in #2 and go down to the Hydro Carbon & oil zones as we only need 2 Helium wells at this time.

from file 10

STATE LAND DEPARTMENT
STATE OF ARIZONA

Form 00 51

Form Prescribed Under Oil and Gas Conservation Act of 1951

NOTICE OF INTENTION TO DRILL NEW WELL

This notice and surety bond must be filed and permit
must be granted before drilling begins

Phoenix Ariz. June 6 1955

State Land Commissioner

In compliance with Statewide Rule 3, notice is hereby given that it is our
intention to commence the work of drilling well No. 1 Sec. 34,

T. 20 N., R. 26 E., B. & M., PINTA Field,

APACHE County.

Legal description of lease _____
(Attach map or plat to scale)

Location of Well: One hundred ten yards N.E. of Macie #1
(Give exact footage from section corners or other

Section 34, T. 20 R. 26E
legal subdivisions or streets)

Proposed drilling depth 2000 feet. Acres in drilling unit 20. Has

surety bond been filed? Yes. Is location a regular or exception to
spacing rule? Regular.

Elevation of ground above sea level 5350 feet.

All depth measurements taken from top of Floor - ground
(Derrick, floor, Rotary Table or Kelly

_____ which is _____ feet above the ground.

Bushing) PROPOSED CASING PROGRAM

Size of Casing Inches A.P.I.	Weight	Grade and Type	Top	Bottom	Cementing Depths
16"	24 #	Seamless	16"	100'	
10"	30 #	Seamless		1400'	1350'-1400' Water shut-off
7"	24 #	Oil string		500'	

(Note: Fresh water horizons below 100' will be cased off to prevent encroachment)

Intended Zone or Zones of completion:
Name Perforated Interval

Cocaine Helium Zone according thickness of sands
Super Gas & Oil Zone according thickness of sands

AFFIDAVIT:

I hereby certify under the penalty of perjury, that the information contained
and statements herein made are to the best of my knowledge and belief, true, correct
and complete.

APACHE OIL & HELIUM CORPORATION
(Applicant)

By Wm. Schrader, Pres.

Application approved this 6th day of August 1955

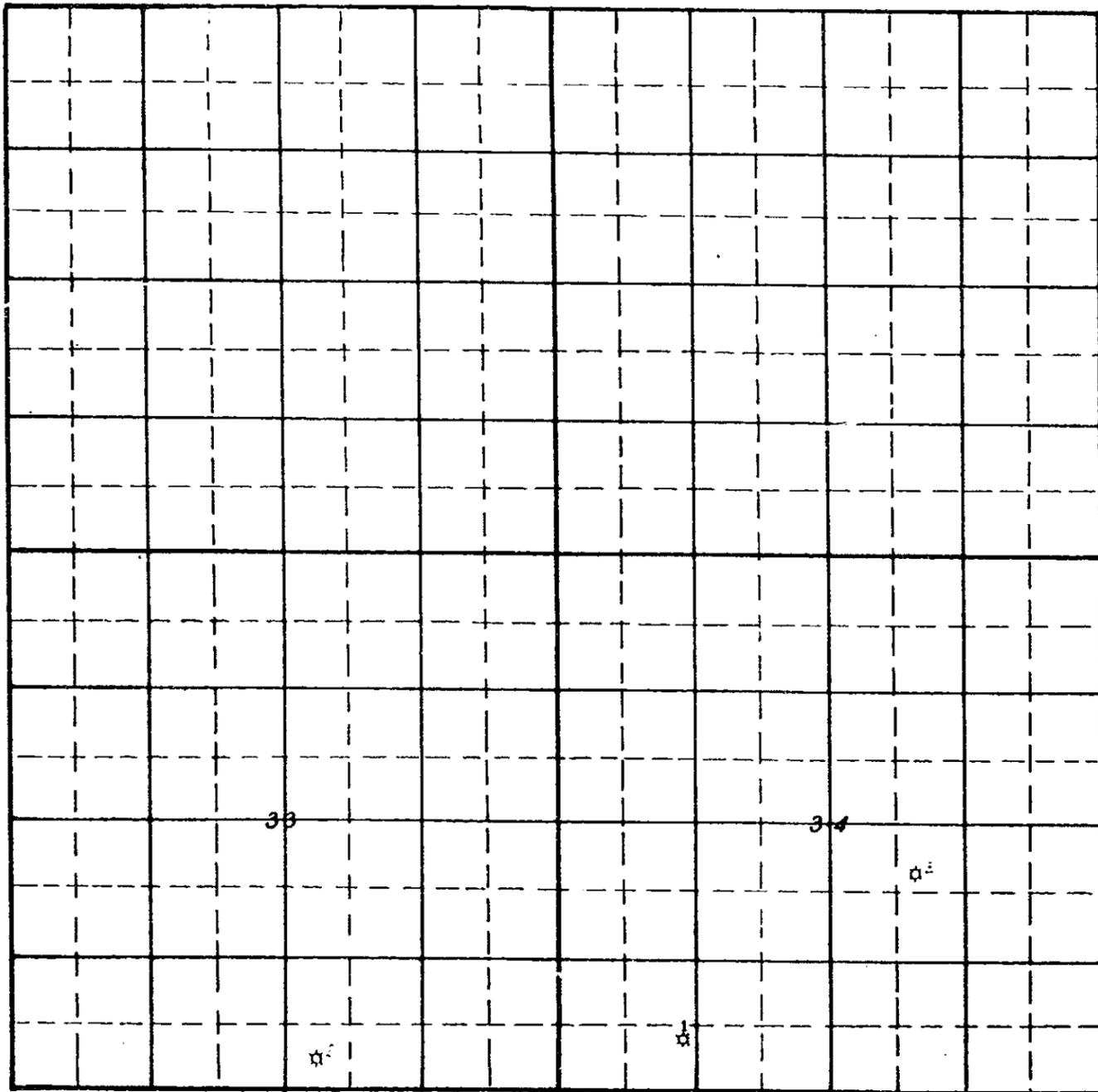
Permit NO. 29

[Signature]
State Land Commissioner

Kerr-McGee Oil Ind., Inc.

Macie Lease

Apache County, Arizona

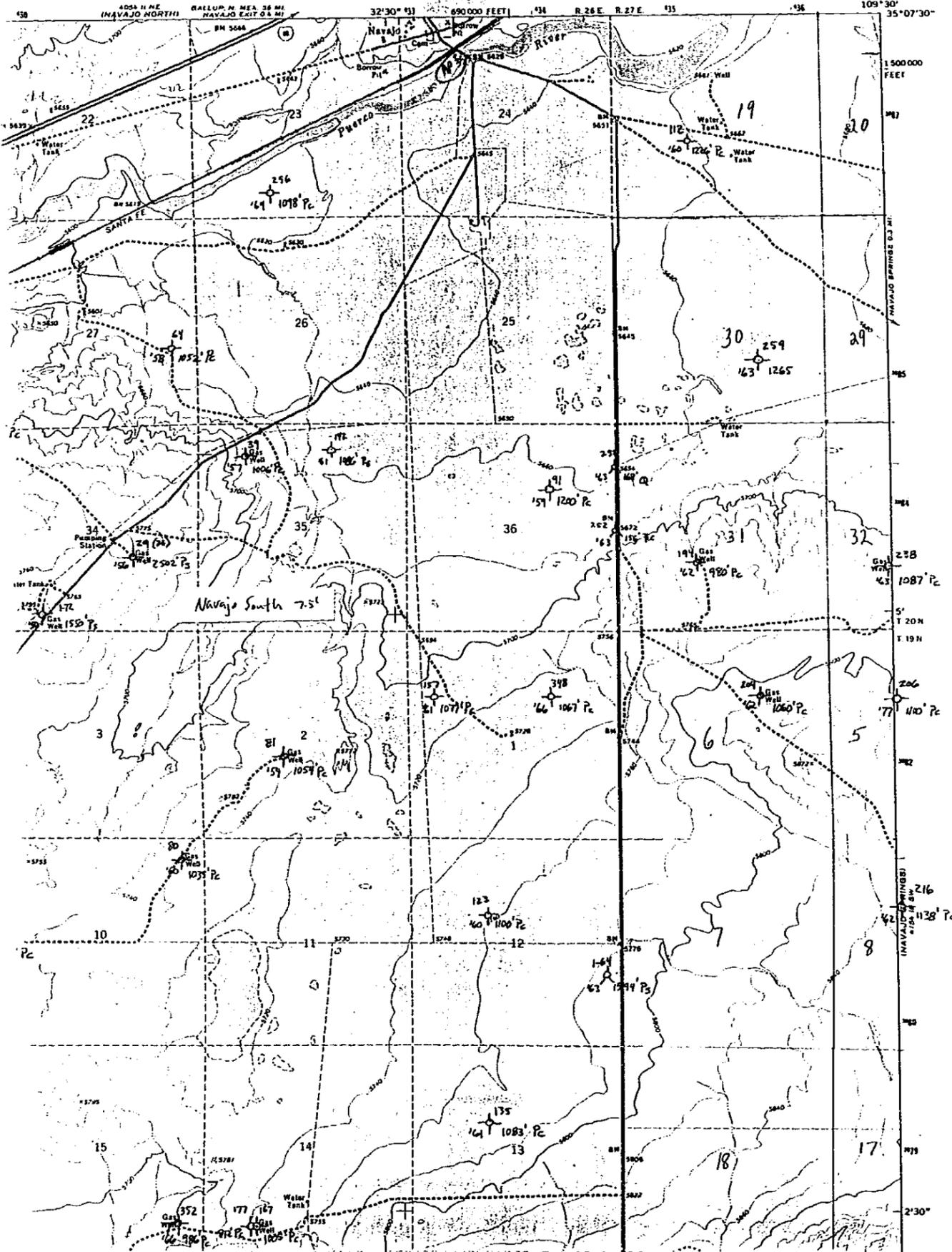


Macie #1, SE-SW-SW-Sec. 34, 20N-26E
Macie #2, SW-SW-SE-Sec. 33, 20N-26E
Macie #3, NE-NW-SE-Sec. 34, 20N-26E

from file 10

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NAVAJO SOUTH QUADRANGLE
ARIZONA-APACHE CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)





Fife Symington
Governor

State of Arizona
Arizona Geological Survey

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



Larry D. Fellows
Director and State Geologist

October 3, 1995

file 29

Ms. Elizabeth Coffman
Dwight's EnergyData, Inc.
4350 Will Rogers Parkway, Suite 101
Oklahoma City, OK 73108

Dear Elizabeth:

I have enclosed the information in our files 29 (Apache Oil & Helium #3 Macie), 200-1 (Cities Service #204 Strat), and 200-2 (Cities Service #204A Strat) in response to your recent request. Please note that a new API number is assigned to the Cities Service #204A Strat: 02-001-05363. I had this new number assigned after learning that wells 204 and 204A both carried the same number! As I have noted before, information in some of the earlier well files is sometimes quite meager.

Let me know if I may be of further assistance.

Sincerely,

Steven L. Rauzi

Steven L. Rauzi
Oil & Gas Program Administrator

Enclosures



OFFICE OF
State Land Department
STATE OF ARIZONA
Phoenix, Arizona

ROGER ERNST
STATE LAND COMMISSIONER

March 16, 1956

Mr. A. T. House
c/o Apache Oil & Helium Corp.
214 Heard Building
Phoenix, Arizona

Dear Mr. House:

The following are some of the most important requirements necessary to the establishing of a unit plan of operation on any area of land in the state of Arizona under the oil and gas laws of the state:

- I. There must be a written request that a unit plan be established in a given area.
- II. There should be a request for a hearing before the Commissioner, at which time a unit agreement would be presented and subsequent thereto an order issued governing the operator and operation of the unit.
- III. The unit agreement must be signed by the persons owning drilling rights on at least 75% of the land in the proposed unit area before presenting same to the Commissioner for consideration at the hearing.
 - A. An operator for the unit must be set up and must be in a position to furnish a bond to insure that he will carry out the terms of the agreement.
 - B. The unit agreement must be accompanied by a map of the area within the proposed unit.
 - C. The map must also show the area of each person owning drilling rights within the unit area.
 - D. The name, address and the interest in the unit for each person owning drilling rights must be furnished on an attached list.

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Mr. A. T. House
Page Two
March 16, 1956

- E. The agreements shall provide for the equitable division on an agreed basis of the oil and gas produced from the unit and for the extension of leases covering any part of the unit so long as oil or gas in paying quantities is produced from any part of the unit, but no such agreement shall relieve any operator from the obligation to develop reasonably the lands and leases as a whole committed thereto.
 - F. The unit must be designated as to the type; oil, gas or other hydrocarbon.
- IV. Applicants should be prepared to present at the hearing reasons why it would be to the best interests of the state to establish the proposed unit plan.

Very truly yours,

Roger Ernst
State Land Commissioner

RE:kb

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ARIZONA GAS & CHEMICAL CORPORATION

ALPINE 2-7115

October 27, 1955

HEARD BUILDING
PHOENIX, ARIZONA

Mr. Louis C. Duncan
Office Manager
State Land Department
Phoenix, Arizona

Dear Mr. Duncan:

Mr. A.T. House has just sent me the surveyed location of the Apache Oil & Helium Corporation well # 3 in Apache County.

I am enclosing the original sent to me by Mr. House, plus a copy of the log on work done on the Macie #2. This operation is stopped temporarily until completion of the #3.

Yours very truly,

Serge Besoyan
Serge Besoyan-Secretary-Treasurer
Apache Oil & Helium Corporation

SB/hb

Encl.

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ROUGH DRAFT

TO : Roger Ernst
FROM: Louis Duncan
DATE: March 15, 1956

The following are some of the requirements necessary to the establishing of a unit plan of operation on any area of land in the State of Arizona under the Oil and Gas Laws of the State:

- I. There must be a written request that a unit plan be established in a given area.
- II. There should be a request for a hearing before the Commissioner, at which time a unit agreement would be presented and subsequent thereto an order issued governing the operator and operation of the unit.
- III. The unit agreement must be signed by the persons owning drilling rights on at least 75% of the land in the proposed unit area before presenting same to the Commissioner for consideration at the hearing.
 - A. An operator for the unit must be set up and must be in a position to furnish a bond to insure that he will carry out the terms of the agreement.
 - B. The unit agreement must be accompanied by a map of the area within the proposed unit.
 - C. The map must also show the area of each

(continued)

Page Two

person owning drilling rights within the unit area.

D. The name, address and the interest in the unit for each person owning drilling rights must be furnished on an attached list.

E. The agreements shall provide for the equitable division on an agreed basis of the oil and gas produced from the unit and for the extension of leases covering any part of the unit so long as oil or gas in paying quantities is produced from any part of the unit, but no such agreement shall relieve any operator from the obligation to develop reasonably the lands and leases as a whole committed thereto.

F. The unit must be designated as to the type; oil, gas or other hydrocarbon.

IV. Applicants should be prepared to present at the hearing reasons why it would be to the best interests of the State to establish the proposed unit plan.

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from the desk of _____

ROGER ERNST

Louis:-

For file. These
are re Chas. Martin
leases. -

H.

Robert O Townsend
716 E Stella Lane
CS 71056

RALPH ARNOLD

CONSULTING GEOLOGIST AND PETROLEUM ENGINEER

1502 WILSON BLVD

SANTA BARBARA, CALIFORNIA

November 25, 1955.

Mr. Serge Besoyan,
214 Heard Building,
Phoenix, Arizona.

Dear Mr. Besoyan:

Confirming my oral statement to you regarding the Pinta Helium Dome at Navajo, Arizona, owned by Apache Oil and Helium Corporation, I would say:-

This dome-shaped structure is favorable geologically for the accumulation of gas. Two wells already drilled on it have proven it to be productive of helium gas. The No. 1 well which produces 8.4% to 8.9% helium gas is the richest producer in the United States. I have personally visited and surveyed the property three times, have located the No. 3 well site and I consider the Dome proven and warranting an extensive development program. Since the No. 2 well produces the same grade of gas from two zones, this, and the No. 1 well, proves an extensive area. The No. 3 well now being drilled should double the proven ground.

My associate, Mr. Stephan Riess, the well-known mining and chemical engineer, said at a meeting which you attended last night, that he considered the property well above a million dollars and that the completion of a successful well at No. 3 site now drilling would more than double the value of the property.

Not only is the property valuable for helium gas, but it is underlain by strata which show petroleum and petroleum gas at 1940 feet in the No. 2 well under the helium gas zone. I consider the dome proven for helium and the evidence warrants an extensive development program, not only for helium but to test the possibilities for petroleum and petroleum gas as well.

In my opinion the present three wells on the structure should not be carried below the helium zones. There is great danger of contaminating this virgin helium and nitrogen with hydrocarbon gases. Should this happen, it would cost at least 15 times more for a plant to bleed out the inflammable gases. It is my understanding that plans for a helium plant to be built on the Santa Fe Railroad at Navajo are in the making. I thoroughly approve of this plan for it will supply the rationed helium gas demand needed by the aircraft, guided missile and metallurgical Companies and Industries.

It is a well known fact that nearly all known fields in Texas and New Mexico which produce helium shows are good oil and gas producers.

Sincerely,

3162 Calle Fresno,
Santa Barbara, Calif.

Ralph Arnold

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316-46588

October 10, 1955

C
O
P
Y

Mr. Serge Besqyan,
Secretary-Treasurer
Apache Oil & Helium Corporation
214 Mayer-Heard Building
Phoenix, Arizona

Dear Mr. Besqyan:

This office wishes to call to your attention a request for a more accurate description of the location of your drilling operation in Section 34, Township 20 North, Range 26 East, Apache County, Arizona.

We have noted on our form O&H 51 under the subject, "Location of Well", that you list it to be 110 yards N.E. of Macie #1; however, we would like to have the distance and direction by the compass from Section corner. We are inclosing a plat for your convenience and trust that you will be able to supply this information, and for which we wish to thank you.

Very truly yours,

STATE LAND DEPARTMENT

Louis C. Duncan,
Office Manager

LCD:mb
Encl. (1)

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