

P-W

Ray Terry Oil Co. Inc. / State  
NE/4-NE/4 Sec. 34-T25N-R8W  
Cassia County

sl

COUNTY Coconino AREA \_\_\_\_\_ LEASE NO. \_\_\_\_\_ State \_\_\_\_\_

WELL NAME Ray Terry Oil Company / State

LOCATION NE NE SEC 34 TWP 25N RANGE 8W FOOTAGE 660' FNL 660' FEL \_\_\_\_\_

ELEV 5410' GR \_\_\_\_\_ KB SPUD DATE 10-2-57 STATUS \_\_\_\_\_ TOTAL \_\_\_\_\_  
COMP. DATE 7-9-58 DEPTH 1943'

CONTRACTOR \_\_\_\_\_

CASING SIZE	DEPTH	CEMENT	LINER SIZE & DEPTH	DRILLED BY ROTARY
7"	100'			_____
				DRILLED BY CABLE TOOL _____
				PRODUCTIVE RESERVOIR _____
				INITIAL PRODUCTION <u>P&amp;A</u>

FORMATION TOPS	DEPTHS	SOURCE		REMARKS
		L.L.	E.L.	
SEE FILE - TOO NUMEROUS TO LIST				

ELECTRIC LOGS	PERFORATED INTERVALS	PROD. INTERVALS	SAMPLE LOG <u>Am Strat</u>
			SAMPLE DESCRP. _____
			SAMPLE NO. <u>1524</u> * _____
			CORE ANALYSIS _____
			DSTs _____
			T 841 _____

REMARKS Kern County Land Co., owners of the Boquillas Ranch, indicated concern about possible damage to their Pica water well, brought about by the drilling of this well. They were also concerned about the manner in which the well was plugged. If any action was taken, it is not indicated in this file.

WATER WELL ACCEPTED BY \_\_\_\_\_

BOND CO. Hartford Accident & Indemnity Co. BOND NO. \_\_\_\_\_  
DATE \_\_\_\_\_ ORGANIZATION REPORT x

BOND AMT. \$ 2,500 CANCELLED 1-6-59

FILING RECEIPT 43993 LOC. PLAT x WELL BOOK x PLAT BOOK x

API NO. 02-005-05012 DATE ISSUED 10-31-57 DEDICATION E/2 NE/4

PERMIT NUMBER 47

ABANDONMENT AND PLUGGING RECORD

(Within thirty days after the plugging of any well has been accomplished, the owner or operator thereof shall file this form with the Commissioner, setting forth in detail the method used in plugging the well.)

PLUGGING METHODS AND PROCEDURE-- The methods and procedure for plugging a well shall be as follows: (a) The bottom of the hole shall be filled to, or a bridge shall be placed at, the top of each producing formation open to the well bore, and in either event a cement plug not less than fifty (50) feet in length shall be placed immediately above each producing formation open to the well bore when ever possible.

- (b) A cement plug not less than fifty (50) feet in length shall be placed at approximately fifty (50) feet below all fresh-water-bearing strata.
- (c) A plug shall be placed at or near the surface of the ground in each hole.
- (d) The interval between plugs shall be filled with heavy-mud-laden fluid.
- (e) An uncased hole shall be plugged with heavy mud up to the base of the surface string, at which point a plug of not less than fifty (50) feet of cement shall be placed.

Operator Ray Terry Oil Co., INC. Field \_\_\_\_\_  
Pool \_\_\_\_\_  
County COCONINO

Address all correspondence concerning this form to:

Street: P.O. Box 290 City: NEW BRAUNFELS State: TEXAS

Lease Name ARIZ. STATE LAND Well No. 1 Sec. 34 Twp. 25N Rge. 8W

Date well was plugged July 9, 1958

Was the well plugged according to regulations of the Commissioner? yes

Set out method used in plugging well and record of casing pulled: NO CASING PULLED

- 0'-20' Cement Plug - (Cement/w Pea gravel)
- 75'-140 " " " " " "
- 498'-548" " " " " " "
- 1230'-1258' Cement Plug with Baker open hole Bridge Plug set at 1258'
- 1275'-1387' Cement Plug - (Cement w/ Pea gravel)

(AFFIDAVIT)

STATE OF ARIZONA  
COUNTY OF Maricopa

Ray Terry  
(Operator)

Before me, the undersigned authority, on this day personally appeared Ray Terry, known to me to be the person whose name is subscribed to the above instrument, who being by me duly sworn on oath states that he is authorized to make this report and has knowledge of the facts stated herein and that said report is true and correct.

Subscribed and sworn to before me this the 10th day of July 1958  
Muriel R. Bates  
Notary Public

My commission expires:  
Sept. 16, 1960

OK  
PNJ 12/10/58

497 3

STATE LAND DEPARTMENT  
STATE OF ARIZONA

Form O&G-55

Form Prescribed Under Oil and Gas Conservation Act 1951  
APPLICATION TO ABANDON, PLUG, DEEPEN, SIDETRACK OR PERFORATE  
(After Well Has Once Been Completed)

INSTRUCTIONS: -- File in duplicate with Commissioner. One copy will be returned with approval or denial.

FIELD: \_\_\_\_\_  
OPERATOR: Ray Terry Oil Co. Inc. ADDRESS: Box 290, New Braunfels, Texas  
LEASE: Arizona State Lands WELL NO. #1 COUNTY: Cochise  
SURVEY: 23 N R8 West SECTION: 34 DRILLING PERMIT NO.: #47  
LOCATION: 660' South of North line 660' West of East Line

TYPE OF WELL: Dry Hole TOTAL DEPTH: 1948'  
(Oil, Gas or Dry Hole)

ALLOWABLE (If Assigned) NONE  
LAST PRODUCTION TEST: OIL NONE (Bbls.) WATER \_\_\_\_\_ (Bbls.)  
GAS NONE (M.C.F.) DATE OF TEST \_\_\_\_\_

PRODUCING HORIZON \_\_\_\_\_ PRODUCING FROM: \_\_\_\_\_ TO \_\_\_\_\_

1. COMPLETE CASING RECORD: 100' - 7" SURFACE CASING

2. FULL DETAILS OF PROPOSED PLAN OF WORK: Place Cement plug at Bottom of Surface casing - Cement plug at 1060' - Cement plug at 1400' - Cement plug at 1640'

If the well is to be deepened to another zone other than that covered by permit, this form shall be accompanied by a certified lease plat as is prescribed on Form No. O&G 51.

If well is to be abandoned, does proposed work conform with requirements of SW Rule 26? \_\_\_\_\_ If not, outline procedure proposed above.

DATE COMMENCING OPERATIONS: 5-12-1958  
NAME OF PARTY DOING WORK: O.B. Lewis Drilling Co ADDRESS: Laveen, Ariz  
CORRESPONDENCE SHOULD BE SENT TO: Box 266

NAME: Ray Terry  
TITLE: President  
6th January 59

APPROVED: \_\_\_\_\_ DAY OF \_\_\_\_\_ 19\_\_\_\_

DENIED: \_\_\_\_\_ DAY OF \_\_\_\_\_ 19\_\_\_\_

Obed M. Lassen  
STATE LAND COMMISSIONER

BY: \_\_\_\_\_

47  
5  
O/S  
P/TY  
1/12/58



RAY TERRY OIL CO., INC.  
 Arizona State Land Well #1  
 Section 34, Twp., 25 N., Rge 8 W.  
 Coconino County, Arizona

COMMENCED: October, 1957  
 COMPLETED: July 9, 1958  
 ELEVATION: 5410'  
 TD: 1943'

<u>Depth</u>	<u>Formation</u>
0-55	Medium Fine grain tan Allu; sand
55-60	Brown Silty Clay
60-90	Allu gravel - white coarse silty sand
90-115	Coarse tan & white sand & quartz
115-130	Brown silty sand & clay
130-170	Coarse sand tan & white
170-220	Gray - white - tan sand qtz - cong.
220-350	Uncon clay - silty sand - chert
350-420	Silt - clay w/some cse sand & frag. chert
420-475	Hard gry-pink-white lime stone-cherty
475-490	Hard gry dense lime stone w/some chert
490-520	Hard gry & yellow lime stone w/hard gry.chert
520-535	Hard gry & yellow limestone w/20% purple shale
535-550	Hard gry & yellow w/yellow chert & purple shale
550-600	Hard gry limestone w/pink silt & yellow chert
600-620	White - pink cherty limestone
620-655	Gry & pink limestone w/chert
655-670	Gray & wht. limestone w/very hard chert beds
670-695	Pink & tan limestone w/chert
695-720	Pink & tan gran. text. limestone w/chert
720-750	Light gray limestone
750-765	Light gray & tan limestone - fine grain
765-795	Tan & pink dolomitic limestone
795-910	Gray & tan fine grain limestone highly dolomitic w/pink & yellow chert
910-1030	Pink - gray & tan slightly dolomitic limestone
1030-1060	Yellow & pink silty limestone
1060-1115	Dense dark gray limestone
1115-1155	Dark gray fine grain limestone w/mica flakes
1155-1290	Gray & tan limestone w/chert & calcite
1290-1355	Gray & tan limestone
1355-1450	Gray-sandy & shaley limestone
1450-1455	Purple Shale
1455-1550	Gray - sandy - shaley limestone
1550-1760	Greenish - gray sandy shale
1760-1873	Purple, - white sand
1873-1896	Cavity
1896-1943	Hard brown sandstone

T.D. 1943

Ray Terry Oil Co., Inc.  
 Arizona State Land Well #1  
 Sec. 34 TWP. 25N Range 8 W  
 Coconino County



13023

<u>Depth</u>	<u>Description</u>
0-55	Medium Fine grain tan Allu; sand.
55-60	Brown Silty Clay
60-90	Allu gravel - white coarse silty sand
90-115	Coarse tan & white sand & quartz
115-130	Brown silty sand & clay
130-170	Coarse sand tan & white
170-220	Gray - white - tan sand qtz - cong.
220-350	Uncon clay - silty sand - chert
350-420	Silt - clay w/some cse sand & frag. chert
420-475	Hard gry-pink-white lime stone-cherty
475-490	Hard gry dense lime stone w/some chert
490-520	Hard gry & yellow lime stone w/hard gry. chert
520-535	Hard gry & yellow limestone w/20% purple shale
535-550	Hard gry & yellow w/yellow chert & purple shale
550-600	Hard gry limestone w/pink silt & yellow chert
600-620	White - pink cherty limestone
620-655	Gry & pink limestone w/chert
655-670	Gray & wht. limestone w/very hard chert beds
670-695	Pink & tan limestone w/chert
695-720	Pink & tan gran. text. limestone w/chert
720-750	Light gray limestone
750-765	Light gray & tan limestone - fine grain
765-795	Tan & Pink Dolomitic limestone

795-910	Gray & tan fine grain limestor highly dolomitic w/pink & yellow chert
910-1030	Pink - gray & tan slightly dolomitic limestone
1030-1060	Yellow & pink silty limestone
1060-1115-	Dense dark gray limestone
1115-1155	Dark gray fine grain limestone w/mica flakes
1155-1290	Gray & tan limestone w/chert & calcite
1290-1355	Gray & tan limestone
1355-1450	Gray-sandy & shaley limestone
1450-1455	Purple Shale
1455-1550	Gray - sandy - shaley limestone
1550-1760	Greenish - gray sandy shale
1760-1873	Purple - white sand
1873-1896	Cavity
1896-1943	Hard brown sandstone

5410  
1760  
3650

T. D. 1943

STATE LAND DEPARTMENT  
STATE OF ARIZONA

Form OG 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

State Land Commissioner: Phoenix, Ariz. October 25, 19 57

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, Twp. 25 N, Rge. 8 W, B. & M., Wildcat State Field, Coconino County.

Legal description of lease Center of the NE 1/4 of the NE 1/4  
(attach map or plat to scale)

Location of Well: 660' South of the North Line and 660' West of the East Line  
(Give exact footage from section corners or other

legal subdivisions or streets)

Proposed drilling depth 2100 feet. Acres in drilling unit 40 acres.

Has surety bond been filed? (Will be filed) Is location a regular or exception to spacing rule? regular.

Elevation of ground above sea level 5410 feet.

All depth measurements taken from top of Rotary table  
(Derrick, floor, Rotary Table or

Kelly Bushing) which is 8 feet above the ground.

PROPOSED CASING PROGRAM

Size of Casing	Inches A.P.M.	Weight	Grade & Type	Top	Bottom	Cementing Depths
7" ID		22#	A Screw Type	0	60'	total pipe to 60'
5" OD		17#	A " "	0	1200' or 2100'	

We intend to seal off all water strata encountered

Intended Zone or Zones of completion:  
Name Perforated Interval  
Tapeats

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.

Ray Terry  
(Applicant) The Ray Terry Oil Co., Inc.  
P. O. Box 290  
New Braunfels, Texas

By Ray Terry, Pres.  
Application approved this 31st day of October 19 57

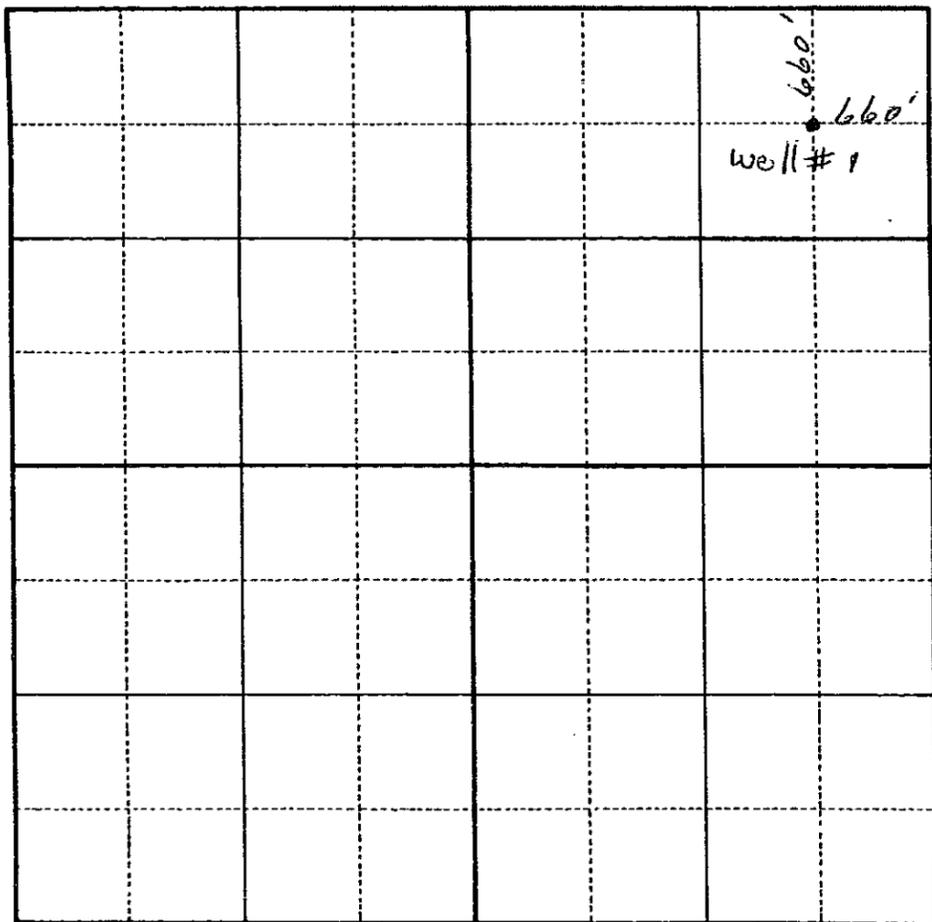
Obed M. Larren  
State Land Commissioner

Permit No. 47

*Approved for  
10/29/57  
Johnston*

*OK  
10/29/57*

SEC. 34 T 25 N R 8 W



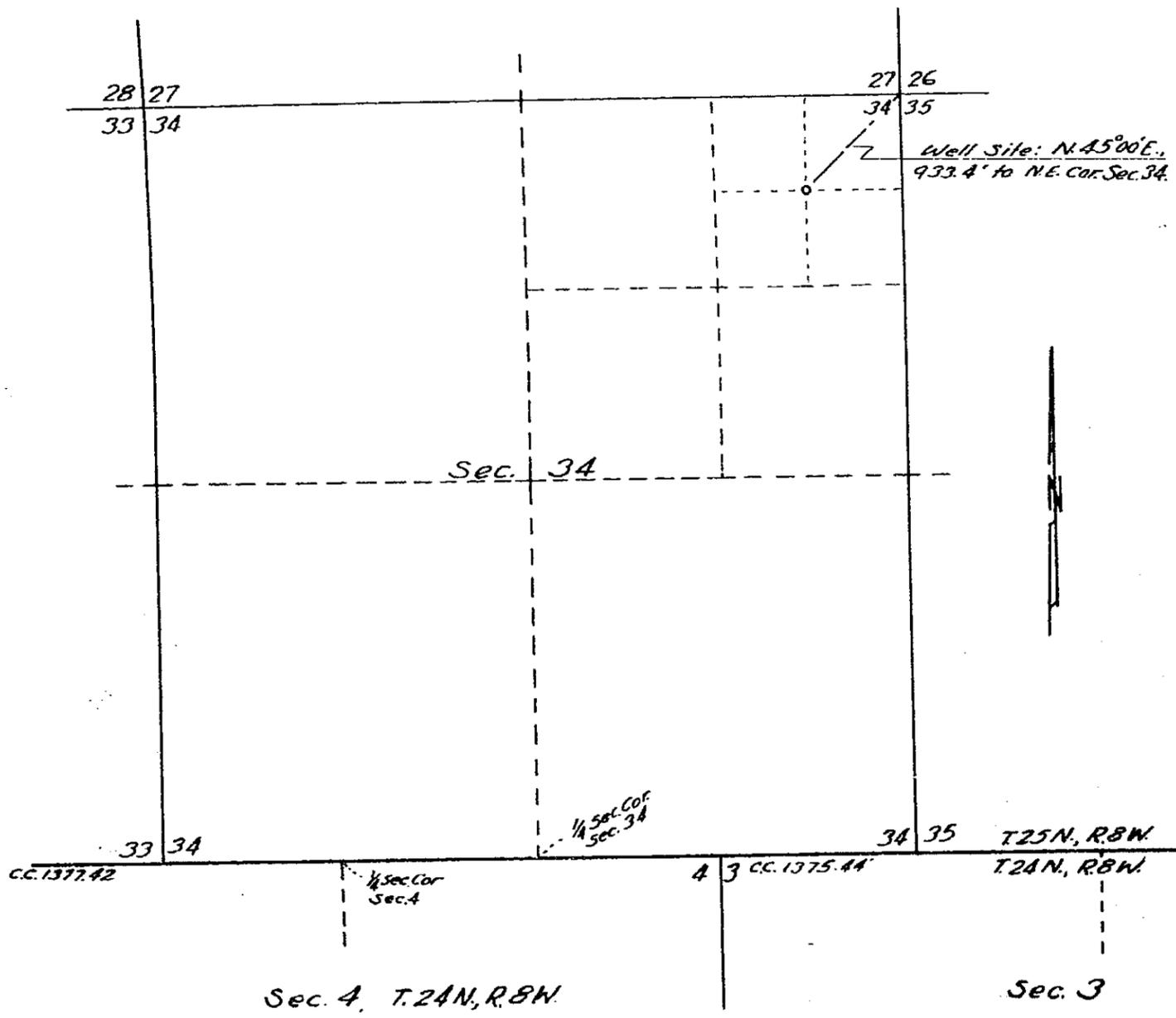
SCALE 1" = 1000'

ABSTRACTED \_\_\_\_\_ AREA \_\_\_\_\_

PLAT OF SURVEY FILED \_\_\_\_\_

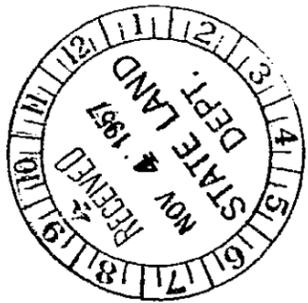
ARIZONA State Land Department - well #1  
located - sec 34 - T 25 N - R. 8 W, - Center  
of the NE 1/4 of the NE 1/4 - 660' south of  
North line and 660' west of East line

Survey made by Mr. John T. Jordan, Kingman, Arizona  
Phone - Black 400 - per Mr. Ray Terry

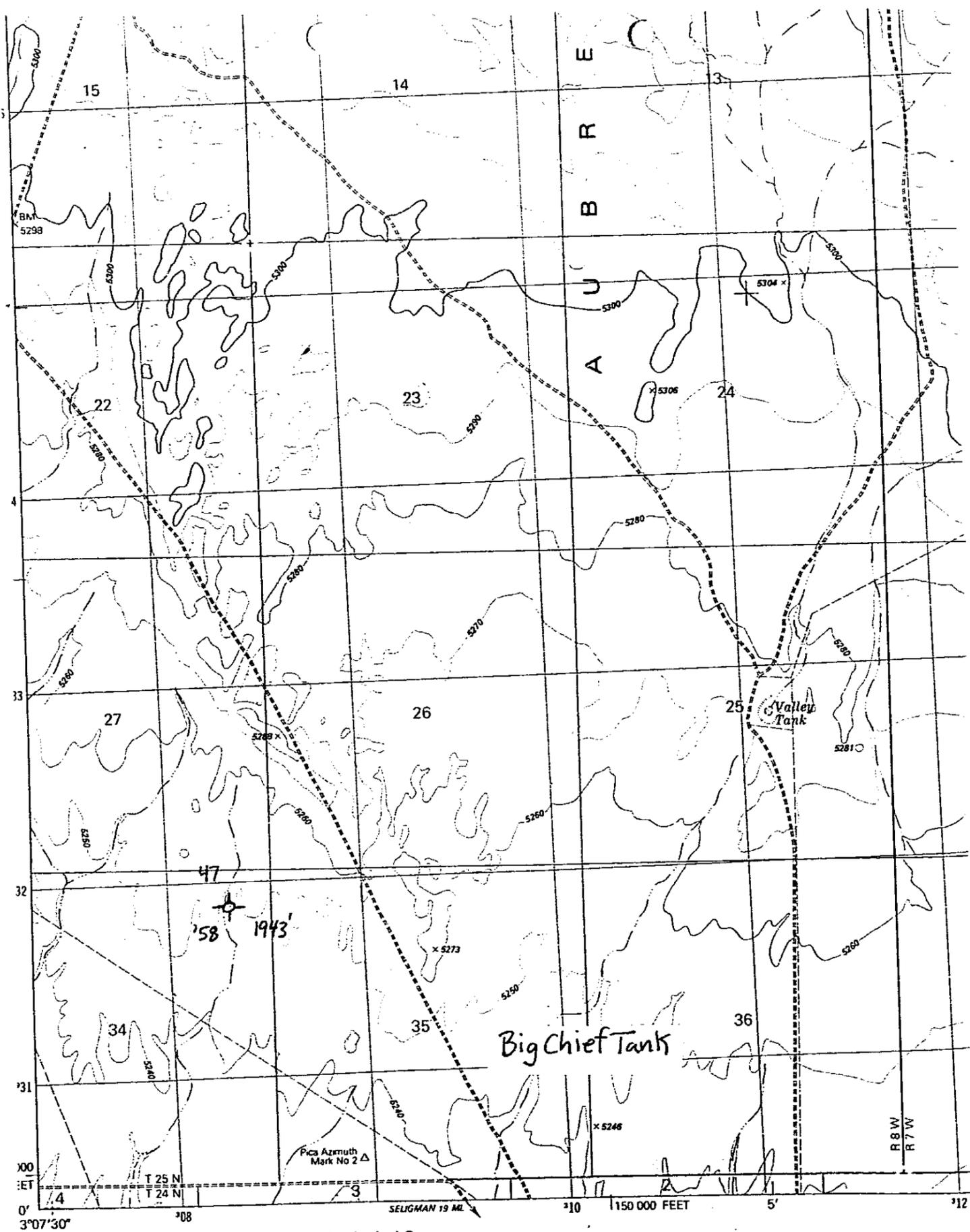


Plat of the Proposed Oil Well Drilling Site  
of the Ray Terry Oil Company - Located at the  
Center of the N.E. 1/4 of the N.E. 1/4 of Section 34,  
T. 25 N., R. 8 W., G. & S.R. Meridian. Scale: 1 inch = 1000 feet.

47 I, J.T. Jordan, hereby certify that this map was made from notes  
of a survey made by me and that said survey is accurately  
represented hereon. *J.T. Jordan*, Registered Engineer, No. 1219.  
Kingman, Arizona 10-30-57.



14386



Mapped, edited, and published by the Geological Survey

STATE OF ARIZONA  
STATE LAND DEPARTMENT

BOND FOR DRILLING OIL OR GAS WELL

State of Arizona }  
County of Maricopa }

KNOW ALL MEN BY THESE PRESENTS:

That we, The Ray Terry Oil Company, Inc.,

hereinafter called Principal, and Hartford Accident & Indemnity Company hereinafter called the Surety, are held and firmly bound unto the State of Arizona in the sum of Twenty-Five Hundred Dollars (\$2,500) for the payment of which the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Whereas the Principal has obtained a permit from the State Land Commissioner to drill a well in search of oil or gas, and whereas said Principal is required by provisions of the Oil and Gas Conservation Act of 1951 to deposit with the said Commissioner a good and sufficient bond:

Now, therefore, the condition of the foregoing obligation is such that if the Principal shall drill, case and plug said well drilled by said Principal in such manner as to prevent the escape of oil or gas from one stratum to another and to prevent the intrusion of water into an oil or gas stratum from a separate stratum, and to prevent the pollution of fresh water supplies by oil, gas or salt water and in such manner as to prevent waste, and shall make such reports to the Commissioner as are required by the Oil and Gas Conservation Act of 1951 by said Principal, and shall file the log and drilling record kept by said Principal within six (6) months from the time of the completion or abandonment of said well drilled for oil or gas and shall plug the same in the manner provided by the rules and regulations adopted by said Commissioner, then this obligation to be null and void, otherwise to be and remain in full force and effect.

Witness our hands and seals this 25th day of October, 1957.

THE RAY TERRY OIL COMPANY, INC.

Subscribed and sworn to before me this  
25th day of October, 1957.

Ray Terry, PRESIDENT  
Principal

Muriel R. Bates Notary Public  
My Commission Expires Sept. 16, 1960

Countersigned Ed Worsley HARTFORD ACCIDENT & INDEMNITY COMPANY  
Ed Worsley - Arizona Agent

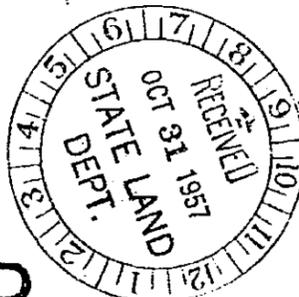
BY: L. C. Roberson, Jr.  
Surety  
L. C. Roberson, Jr., Attorney-in-Fact

OK JCK  
10-31-57

Approved this 31st day of October, 1957.

OBED M. LASSEN

Obed M. Lassen  
State Land Commissioner



CANCELLED

1/6/59 - 113

# Hartford Accident and Indemnity Company

HARTFORD, CONNECTICUT

## POWER OF ATTORNEY

Know all men by these Presents, That the HARTFORD ACCIDENT AND INDEMNITY COMPANY, a corporation duly organized under the laws of the State of Connecticut, and having its principal office in the City of Hartford, County of Hartford, State of Connecticut, does hereby make, constitute and appoint

L. C. ROBERSON, JR., of HOUSTON, TEXAS,

its true and lawful Attorney(s)-in-fact, with full power and authority to each of said Attorney(s)-in-fact, in their separate capacity if more than one is named above, to sign, execute and acknowledge any and all bonds and undertakings and other writings obligatory in the nature thereof on behalf of the company in its business of guaranteeing the fidelity of persons holding places of public or private trust; guaranteeing the performance of contracts other than insurance policies; guaranteeing the performance of insurance contracts where surety bonds are accepted by states and municipalities, and executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed.

and to bind the HARTFORD ACCIDENT AND INDEMNITY COMPANY thereby as fully and to the same extent as if such bonds and undertakings and other writings obligatory in the nature thereof were signed by an Executive Officer of the HARTFORD ACCIDENT AND INDEMNITY COMPANY and sealed and attested by one other of such officers, and hereby ratifies and confirms all that its said Attorney(s)-in-fact may do in pursuance hereof.

This power of attorney is granted under and by authority of the following By-Law adopted by the Stockholders of the HARTFORD ACCIDENT AND INDEMNITY COMPANY at a meeting duly called and held on the 10th day of February, 1943.

### ARTICLE IV

SECTION 8. The President or any Vice-President, acting with any Secretary or Assistant Secretary, shall have power and authority to appoint, for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more Resident Vice-Presidents, Resident Assistant Secretaries and Attorneys-in-fact and at any time to remove any such Resident Vice-President, Resident Assistant Secretary, or Attorney-in-fact, and revoke the power and authority given to him.

SECTION 11. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power of attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company thereto any and all bonds and undertakings, and other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-fact shall be as binding upon the Company as if signed by an Executive Officer and sealed and attested by one other of such Officers.

This power of attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Directors of the HARTFORD ACCIDENT AND INDEMNITY COMPANY at a meeting duly called and held on the 13th day of March, 1956.

RESOLVED, that, whereas the President or any Vice-President, acting with any Secretary or Assistant Secretary, has the power and authority to appoint by a power of attorney, for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more Resident Vice-Presidents, Assistant Secretaries and Attorneys-in-fact;

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

In Witness Whereof, the HARTFORD ACCIDENT AND INDEMNITY COMPANY has caused these presents to be signed by its Vice-President, and its corporate seal to be hereto affixed, duly attested by its Secretary, this 22nd day of April, 1957.

Attest:

*Cliff Dowd*  
Secretary

STATE OF CONNECTICUT,  
COUNTY OF HARTFORD,

ss.

HARTFORD ACCIDENT AND INDEMNITY COMPANY



*Wm. H. Wallace*  
Vice-President

STATE OF CONNECTICUT,  
COUNTY OF HARTFORD,

ss.



*Robert P. Phoen*  
Notary Public  
My commission expires March 31, 1962

### CERTIFICATE

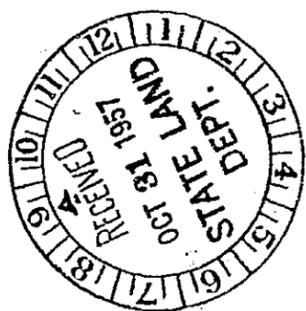
I, the undersigned, Assistant Secretary of the HARTFORD ACCIDENT AND INDEMNITY COMPANY, a Connecticut Corporation, DO HEREBY CERTIFY that the foregoing and attached POWER OF ATTORNEY remains in full force and has not been revoked; and furthermore, that Article IV, Sections 8 and 11, of the By-Laws of the Company, and the Resolution of the Board of Directors, set forth in the Power of Attorney, is now in force.

Signed and sealed at the City of Hartford. Dated the 25th day of October 1957



*W. K. Boyer Jr.*  
Assistant Secretary

Handwritten marks and scribbles at the top of the page.



14206



from the desk of \_\_\_\_\_

MURIEL R. BATES

The Ray Terry Oil Co., Inc.,  
P. O. Box 290  
New Braunfels, Texas

O&G Permit to Drill New Well

47

15858

Sept 1796

H. SA 3-30.00

Key Tenny

Pl. 1

Harlingen,  
Texas

January 6, 1959

Mr. Ray Terry  
P. O. Box 290  
New Braunfels, Texas

Dear Mr. Terry:

We have this date cancelled your bond in the amount of \$2,500 with the Hartford Accident & Indemnity Company, covering your drilling operation in Section 35, Township 25 North, Range 8 West, Mohave County, Arizona. The inclosed copy of our letter to them is of course, self-explanatory.

We are also inclosing a copy of O&G Forms 55 and 56 which have been approved and are for your records.

We wish to thank you for your cooperation in the matter of the drilling of this well, and if you make any more trips to Phoenix, come by and see us.

Very truly yours,

STATE LAND COMMISSIONER

By: Frederick C. Ryan,  
Supervisor,  
Oil and Gas Conservation

mb

Encls.

January 6, 1959

Hartford Accident & Indemnity Company  
% Haldiman Brothers  
401 N. Central Avenue  
Phoenix, Arizona

Attention: Ed Worsley

Dear Mr. Worsley:

Reference is made to the bond in the amount of \$2,500 covering The Ray Terry Oil Company, Inc., State #1 well located in Section 34, Township 25 North, Range 8 West, Mohave County, Arizona.

The obligation of the principal, The Ray Terry Oil Co., Inc., as conditioned by the bond, having been satisfactorily met, this is your authority to effect cancellation of the bond this date.

Very truly yours,

STATE LAND COMMISSIONER

By: Frederick C. Ryan,  
Supervisor,  
Oil and Gas Conservation

FCR:mb  
cc - L. C. Roberson, Jr., Houston, Texas  
cc - Ray Terry, New Braunfels, Texas

KERN COUNTY LAND COMPANY

BOX 280

BAKERFIELD, CALIFORNIA

TELEPHONE PA 7-8881

August 8, 1958

Mr. Phillip W. Johnson  
State Geologist  
State Land Department  
Arizona State Office Building  
Phoenix, Arizona

Dear Phil:

Upon return from my vacation I found that Terry had finally abandoned his well. It was unfortunate that you weren't able to witness the plugging operations after all the time you spent waiting and running back and forth. Joe Murphy passed on to me an outline of Terry's abandonment report which he secured from you via telephone. I am concerned as to whether Terry did all of the cementing work on the same day. If so there would have been insufficient time for him to test the effectiveness of the plugs. I certainly would appreciate a copy of his abandonment report and any detailed information you might have on those final operations.

As you know, our Water Department has expressed great concern about the possibility of drainage of our water source bed by Terry's well. In view of the more recent behavior of our Pica well they are not convinced that the possibility of drainage has been alleviated. They are checking our well and a nearby well quite frequently to try and determine what has caused an apparent decrease in the water level. They remarked that it may take numerous measurements to determine the extent and cause of the change.

Sincerely yours,

*Chet Eaton*

Chet Eaton

CFE:gp

Sent original to P. W. Johnson August 12, 1958.

47

7/25/58

Terry -

2) F 200

to can 2 Terry

(OK 2/10)

3 To 90) 100

OK (1-2)

100

We have complete samples - need log from Terry. Abandonment ok to give orally. If Terry asks for release of bond it will be ok, but need paper work done.

**PLEASE NOTE:**

You are hereby advised that your lease will expire on the date noted on the above Application/Renewal Endorsement form. This form when duly signed by the Leaseholder of record shall have the effect of a formal application to renew said lease and further, shall become a Renewal Endorsement extending the lease period as noted thereon.

In order to retain preferential rights to renew said lease the Application/Renewal Endorsement form, duly signed, must be returned to the State Land Department not less than thirty (30) nor more than sixty (60) days prior to the expiration of the lease. 11-313, A.C.A., 1939. (Return duplicate copy only).

P. W. Johnson phoned and said to hold up on release of Terry bond. Said that he had been contacted by Bill Clayborne, Kern County, Bakersfield, Engineer for Boquillas. Drilling of Terry well supposed lost ~~THE~~ wells near Pica.

8/1/58

Copy of log and <sup>verify</sup> Copy of Abandonment Report sent to PWD 8-28-58

12/8/58

Release bond  
Cut master  
Release!

**PLEASE NOTE:**

If a lessee, permittee, or any other person having a legal interest in State Lands desires to construct or make improvements, he shall first file an application in duplicate on each section or portion thereof upon Land Division form No. A-13-4 (form furnished upon request) for permission to construct or make such improvements with the Commissioner, which application shall be subject to allowance or rejection as in the discretion of the Commissioner the best interests of the State shall require.

Unless such permission is granted by the Commissioner, such person shall not be entitled to reimbursement or compensation for such improvements placed upon State Lands, and upon the expiration or cancellation of the lease or permit, such improvements so placed thereon without such approval shall forfeit and become the property of the State.

No sublease or assignment of lease is valid unless approval of the Commissioner is granted.

No contract of sale, mortgage or other lien shall become effective unless and until an executed or conformed copy thereof showing the recording data is filed with the Commissioner.

Terry Ore Co.  
25 N  
8 W  
See 26  
34  
\$370.00  
47 Renewal

One hour public mat  
about

Terry  
Deer Lodge, Ariz.  
Cafe + filling station  
Call through Hyde Park.

34 25 8

3397

Good standing 4-17-59

Mr. Jensen  
BT. 6-26-56

from the desk of \_\_\_\_\_  
1:30 PM 5-14-58  
F. C. RYAN

Bakersfield  
Chet Eaton

Checking to see if  
Terry well being flagged.  
Inquiring as to price  
in hole.

47

June 17, 1958

Mr. Phillip W. Johnson  
P. O. Box 2270  
Tucson, Arizona

Dear Phil:

The bonding company for the Roger A. Fields, Federal #1 has requested that their covering bond be terminated. As I remember your conversation with Mr. Haas, this hole had been filled with cement from the surface to the bottom, and probably meets with your 100% approval. However, they have not submitted their plugging record, although they had previously submitted an application to plug drawn on very tentative lines. All this being so, as I see it, all we need from them is the form O&G 56, Abandonment and Plugging Record and samples if such exist.

Referring to the Ray Terry well, Mr. Lewis the driller, has been in a couple of times and tells me that on another attempt to get his stuck pipe down in the hole, he snapped his line and everything went to the bottom but with no apparent water shut-off. He then attempted to fish the whole works, and the cable ballooned and stuck at about the water level, (which seems to be where he thinks he has side fissures or a cavern) the whole deal is wadded up here and he hasn't power enough to budge it. This is the least of his worries. His main one being that he has not seen enough money from the operator or his partner to keep him (Mr. Lewis) in business. Mr. Terry stalled him off for an additional week to raise the money and effective this date, Mr. Lewis was to remove his rig from location, so if Mr. Terry has not talked him out of it in the last 24 hours, Lewis will probably remove the rig immediately. Our position is that as the official permittee and bond principal, we shall look to Mr. Terry, or the surety company to carry their plans out for a satisfactory plugging. We have no ties on the driller as such, in fact he admittedly has no written contract with the operator. I would like to have your thoughts as to the physical loss or damage caused by what Mr. Lewis reports as a strong inflow of water from the bottom of the hole. If you think he is right on the volumes of water reported, then we could conceivably get into trouble with Boquillas.

Mr. Phillip W. Johnson  
June 17, 1951  
Page 1

If you question the volume of flow, the loss and/or damage might be inconsequential and of not too much concern to Boquillas. If you think damage is presently being caused by this water, then maybe we should push Terry or the surety company to get the thing buttoned up quickly.

Rumor Department - (direct wire - the strat-scooper)

Needel reportedly will file for two reports.

Besoyan possibly will be in (day before yesterday) with permit for the Perkins well. (That'll be the day)

Additionally, and this is information from the source which I have faith in (and which is confidential and is privy to Obie, Mert and myself) Pan American and the big man from Albuquerque have finally come to terms on a big block between Holbrook and St. Johns, which agreement carries a drilling clause, which guarantees four wells to "granite" this year. The grapevine on this has the four expanded to twelve to fourteen. Sun Ray-Mid Continent and Stanolind are also in on this with Pan American.

In reference to your request that we supply your office with information in our files, we would like to suggest that you check the right hand column of the well list, noting the kind of information you need. We will then proceed to verifax it, or devise some other means in getting the job done.

We submitted a group of EIs to one of the blue print companies in order to obtain a price. However, we did phone them and they gave us a quotation of \$.60 per running sq. ft. for an auto-positive and \$.08 per running sq. ft. for prints.

We would like to know if you have written Geo-Log concerning the return of our samples, also if they are going to be real cooperative and let us have a log of their findings. (?)

Also, did you ever secure a driller's log for the Eisele well? We have a Schlumberger Field Report in our files, but no driller's log. We have had several requests for this log.

Best regards.

Sincerely,

Frederick C. Ryan,  
Supervisor,  
Oil & Gas Conservation

April 24, 1958

Memorandum:

To: Obed M. Lassen  
From: Frederick C. Ryan  
Subject: Boquillas - Ray Terry Oil Co. controversy  
relative to abandonment of latter's well.

Phil Johnson and I were at the well site (NE $\frac{1}{4}$ NE $\frac{1}{4}$ ; Section 34, Township 25 North, Range 8 West, Coconino County) early in the afternoon of April 22, 1958. The rig was still over the hole, but shut down. We went on in to Seligman and talked to Mr. Terry at his motel.

After discussion of the total depth of the hole, formation tops, water strata, samples, etc between Mr. Terry and Phil Johnson, the conversation shifted to the subject of Boquillas, water well conversion or abandonment.

Mr. Terry stated that he had conversations early in the history of the well, in San Francisco with a Mr. Reed and a Mr. Walker, who Mr. Terry said were Executive Vice-President and Landman, respectively, for Kern County Land Company, parent corporation of Boquillas. Mr. Terry quoted Mr. Reed as saying that if there were usable water in the hole that Boquillas would certainly want to take over the well, if and when abandoned, for stock-water purposes. Mr. Terry inferred that there had been a later conversation with Mr. Reed reaffirming this statement.

Mr. Terry further stated that, with this in mind, he has been working under the assumption that he would get part of his drilling money back from Boquillas if he had a dry hole, oil wise. Sometime in the last two or three weeks Mr. Terry, realizing he probably had a dry hole and having hit what he says was a good water-bearing formation at 1760-1873 feet (after having had water at 1440-1445 feet) approached the local Boquillas superintendent, Mr. Leland Larson, with the proposition that Boquillas take over the well. Mr. Terry stated that Larson's reaction was very emphatically to the effect that they did not want the well and that Boquillas was deeply concerned about the physical state

of the hole and the manner in which it might be abandoned.  
(The conclusion is drawn, from inference only, that this discussion by these two was of the heated variety.)

Mr. Terry informed us that his present plans were to go ahead and drill the hole to basement, which should not be too far away. If the hole is then dry, he will file application to abandon with this office. Mr. Terry and Phil Johnson then discussed at length the plan of plugging and abandonment and reached oral agreement on such procedure.

Mr. Terry asked if the State Land Department would be interested in exercising it's option to take over the well as a water well. I told him I would inquire today and answer. This answer dated April 23, 1958 is that the Department is not interested in acquiring the well.

After having talked to Mr. Terry, we attempted to contact Mr. Larson at the Boquillas' office in Seligman but were unsuccessful. (We had previously stopped at Pica Headquarters of Boquillas but Mr. Larson was not there.)

I called Mr. Al Favour at his home in Prescott last night and reported to him Mr. Terry's plans for the well. Mr. Favour told me that Boquillas had a geologist flying in from Bakersfield this morning (April 23) and asked if it would be alright for him to talk to Mr. Terry, and look at the well with the idea in mind of planning plugging so that Boquillas' wells would not be injured. I told Mr. Favour that such action was strictly between Mr. Terry and the geologist. Additionally, I stressed that any plan of plugging and abandonment and resultant supervision of such action was a matter for the Commissioner's office alone to decide; that the Boquillas geologist was welcome to observe but that the final word was Phil Johnson's. Mr. Favour readily acquiesced to this method of operating.

During the drilling of this well there has apparently been some friction as to the use of water from Pica Headquarters for operation. Boquillas claims that Terry was using water without permission, at least initially. Terry interests claim they were paying \$10.00 a day for water during at least part of the operation. (One month's bill was stated as being \$300.00)

To conclude:

1. Mr. Ray Terry plans to drill to basement.

2. If the hole is dry, he will plug and abandon as agreed upon. (We hold a performance bond of \$2,500.00 covering this operation.)
3. Mr. Al Favour has been informed of all these facts.

FCR:mb

April 24, 1958

Mr. Ray Terry  
The Ray Terry Oil Co., Inc.,  
P. O. Box 290  
New Braunfels, Texas

Dear Mr. Terry:

Reference is made to our conversation yesterday in Seligman concerning your well in Section 34, Township 25 North, Range 8 West.

During the conversation you posed the question to Mr. P. W. Johnson and the undersigned as to whether the State Land Department were interested in acquiring your well as a water well, if and when abandoned by you. In direct answer to that question, the Department is not interested in exercising it's option to take over the well as a water well.

Your agreement with Mr. Johnson concerning the abandonment and plugging procedures, once you have decided on such action, is satisfactory with this office. To enable you to reduce the planned procedures to the proper form, you will find enclosed all the forms required by this office for making application to abandon and plug and to report the accomplishment of such action.

If we can help further, we shall be glad to do so.

Very truly yours,

STATE LAND COMMISSIONER

By: Frederick C. Ryan,  
Supervisor, Oil and Gas Conservation

FCR:mb

Encls.

O&G 55-56

(Note: Letter was mailed instead to: Ray Terry at  
Box 333, Seligman, Arizona

November 1, 1957

The Ray Terry Oil Company, Inc.,  
P. O. Box 290  
New Braunfels, Texas

Gentlemen:

We wish to acknowledge receipt of the bond in the amount of \$2,500 for The Ray Terry Oil Company as principal, and the Hartford Accident & Indemnity Company as Surety, which covers the drilling of a well for oil and gas in Section 34, Township 25 North, Range 8 West, Coconino County, Arizona.

Inclosed please find your copy of the Intention to Drill, which has been approved by the State Land Commissioner on the 31st day of October, 1957.

Mr. Phillip W. Johnson will be writing to you in regard to the submission of samples and copies of driller's logs, electrical or otherwise, in the near future.

We wish to take this opportunity to thank you for your cooperation in supplying this Department the required documents covering your drilling operation.

Very truly yours,

STATE LAND COMMISSIONER

BY: Frederick C. Ryan,  
Supervisor,  
Oil and Gas Conservation

mb  
Encl.

# HALDIMAN BROTHERS



*Insurance*

Visit Us in Our Modern Quarters in the New First National Bank Building

AL 4-3115 • 401 N. CENTRAL AVENUE  
P. O. BOX 791 • PHOENIX, ARIZONA

October 30, 1957

Mr. Frederick C. Ryan  
Supervisor  
Oil and Gas Conservation  
State Land Dept.  
Phoenix, Arizona

Re: Bond for Drilling Oil or Gas Well -  
The Ray Terry Oil Company, Inc.  
New Braunfels, Tex.

Dear Mr. Ryan:

Enclosed find \$2500.00 bond for Terry Oil  
Company which we have countersigned as  
Arizona Agent, to be filed with your office.

If anything further is needed, please advise.

14206

Very truly yours,  
*Ed Worsley*  
Ed Worsley

EW:er  
encl.

cc: Edna Lanier  
Houston, Stevenson & Cummings  
Houston, Texas

PS-We believe \$10.00 per thousand premium  
is correct. No countersignature fee.



October 25, 1957

Mr. L. C. Roberson, Jr.,  
Attorney-in-Fact,  
Hartford Accident & Indemnity Co.,  
Continental Bank Building  
Houston, Texas

Dear Mr. Roberson:

This is to acknowledge your telegram dated October 25, 1957 at 3:08 P.M. notifying this office of your willingness to execute a \$2,500.00 drilling permit bond in behalf of Ray Terry Oil Company, Inc., New Braunfels, Texas effective above date, conditioned on receipt of proper bond form from this office.

We are herewith transmitting, for your execution, the above mentioned form. You will find one form, signed by Mr. Terry and notarized. This form has been partially accomplished for sake of expediting matters. If this is not agreeable with your firm, you may use the blank form inclosed and secure Mr. Terry's signature from your end. In any case, this office requires only one executed copy for record.

Very truly yours,

STATE LAND COMMISSIONER

By: Frederick C. Ryan,  
Supervisor,  
Oil and Gas Conservation

FCR:m5  
Encls.

**CLASS OF SERVICE**  
This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

**SYMBOLS**  
DL=Day Letter  
NL=Night Letter  
LT=International Letter Telegram

W. P. MARSHALL, PRESIDENT

1201

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

LB342 DC265

(16)

D HSC447 PD=HOUSTON TEX 25 308PMC= 1957 OCT 25 PM 2 23  
LAND OFFICE=  
ATTN MR DUNCAN STATE OF ARIZONA PHOENIX ARIZ=  
WE WILL EXECUTE \$2500 DRILLING PERMIT BOND BEHALF RAY  
TERRY OIL COMPANY, INC EFFECTIVE THIS DATE UPON RECEIPT  
PROPER BOND FORM FROM YOUR OFFICE=  
LC ROBERSON JR ATTORNEY IN FACT HARTFORD  
ACCIDENT AND INDEMNITY CO CONTINENTAL BANK BLDG  
HOUSTON TEXAS=  
\$2500=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

47

STATE DEPARTMENT

OCT 25 3 01 PM 1957

• • •

